BIG RIVERS ELECTRIC CORPORATION OPEN ACCESS TRANSMISSION TARIFF

KENTUCKY
PUBLIC SERVICE COMMISSION

JEFF R. DEROUEN EXECUTIVE DIRECTOR

TARIFF BRANCH

Issued by: Mark A. Bailey, President and CEO, 201 Third Street, Henderson, KY 42420 Issued on: February 4, 2011

Effective Date: March 7, 2011

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I. **COMMON SERVICE PROVISIONS**

1 **Definitions**

Affiliate: 1.1

With respect to a corporation, partnership or other entity, each such other corporation, partnership or other entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such corporation, partnership or other entity.

1.2 **Ancillary Services:**

Those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of Big Rivers' Transmission System in accordance with Good Utility Practice.

Annual Transmission Costs: 1.3

The total annual cost of the Transmission System for purposes of Network Integration Transmission Service shall be the amount specified in Attachment H until amended by Big Rivers.

Application: 1.4

A request by an Eligible Customer for transmission service pursuant to the provisions of the Tariff.

Completed Application: 1.5

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An Application that satisfies all of the information and other requirements of the Tariff, including any required deposit.

1.6 **Control Area:**

An electric power system or combination of electric power systems to which a common automatic generation control scheme is applied in order to:

- 1. match, at all times, the power output of the generators within the electric power system(s) and capacity and energy purchased from entities outside the electric power system(s), with the load within the electric power system(s);
- 2. maintain scheduled interchange with other Control Areas, within the limits of Good Utility Practice;
- 3. maintain the frequency of the electric power system(s) within reasonable limits in accordance with Good Utility Practice; and
- 4. provide sufficient generating capacity to maintain operating reserves in accordance with Good Utility Practice.

Curtailment: 1.7

A reduction in firm or non-firm transmission service in response to a transfer capability shortage as a result of system reliability conditions.

1.8 **Delivering Party:**

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The entity supplying capacity and energy to be transmitted at Point(s) of Receipt.

1.9 Designated Agent:

Any entity that performs actions or functions on behalf of Big Rivers, an Eligible Customer, or the Transmission Customer required under the Tariff.

1.10 Direct Assignment Facilities:

Facilities or portions of facilities that are constructed by Big Rivers for the sole use/benefit of a particular Transmission Customer requesting service under the Tariff.

Direct Assignment Facilities shall be specified in the Service Agreement that governs service to the Transmission Customer and shall be subject to regulatory approval where applicable.

1.11 Eligible Customer:

i. Any electric utility (including Big Rivers and any power marketer), Federal power marketing agency, or any person generating electric energy for sale for resale is an Eligible Customer under the Tariff. Electric energy sold or produced by such entity may be electric energy produced in the United States, Canada or Mexico. However, with respect to transmission service that the Federal Energy Regulatory Commission is prohibited from ordering by Section

212(h) of the Federal Power Act, such entity is eligible only if the service is

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provided pursuant to a state requirement that Big Riverseffer.therobundled EXECUTIVE DIRECTOR

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transmission service, or pursuant to a voluntary offer of such service by Big Rivers.

ii. Any retail customer taking unbundled transmission service pursuant to a state requirement that Big Rivers offer the transmission service, or pursuant to a voluntary offer of such service by Big Rivers, is an Eligible Customer under the Tariff.

1.12 Facilities Study:

An engineering study conducted by Big Rivers to determine the required modifications to Big Rivers' Transmission System, including the cost and scheduled completion date for such modifications, that will be required to provide the requested transmission service.

1.13 Firm Point-To-Point Transmission Service:

Transmission Service under this Tariff that is reserved and/or scheduled between specified Points of Receipt and Delivery pursuant to Part II of this Tariff.

1.14 Good Utility Practice:

Any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices,

methods and acts which, in the exercise of reasonable judgment in light of the facts

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known at the time the decision was made, could have been expected to accomplish the

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desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region, including those practices required by Federal Power Act section 215(a)(4).

1.15 Interruption:

A reduction in non-firm transmission service due to economic reasons pursuant to Section 14.7.

1.16 Load Ratio Share:

Ratio of a Transmission Customer's Network Load to Big Rivers' total load computed in accordance with Sections 34.2 and 34.3 of the Network Integration Transmission Service under Part III of the Tariff and calculated on a rolling twelve month basis.

1.17 Load Shedding:

The systematic reduction of system demand by temporarily decreasing load in response to transmission system or area capacity shortages, system instability, or voltage control considerations under Part III of the Tariff.

1.18 Long-Term Firm Point-To-Point Transmission Service:

Firm Point-To-Point Transmission Service under Part II of the Tariff with a term of PUBLIC SERVICE COMMISSION

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one year or more.

1.19 Native Load Customers:

The wholesale power customers of Big Rivers on whose behalf Big Rivers, by contract, has undertaken an obligation to construct and operate its system to meet the reliable electric needs of such customers. Big Rivers' native load customers specifically include its three member distribution cooperatives and their successors: Kenergy Corp; Jackson Purchase Energy Corporation; and Meade County Rural Electric Cooperative Corporation.

1.20 Network Customer:

An entity receiving transmission service pursuant to the terms of Big Rivers' Network Integration Transmission Service under Part III of the Tariff.

1.21 Network Integration Transmission Service:

The transmission service provided under Part III of the Tariff.

1.22 Network Load:

The load that a Network Customer designates for Network Integration Transmission Service under Part III of the Tariff. The Network Customer's Network Load shall include all load served by the output of any Network Resources designated by the

Network Customer. A Network Customer may elect to designate designated esset than vits total

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load as Network Load but may not designate only part of the load at a discrete Point of Delivery. Where an Eligible Customer has elected not to designate a particular load at discrete points of delivery as Network Load, the Eligible Customer is responsible for making separate arrangements under Part II of the Tariff for any Point-To-Point Transmission Service that may be necessary for such non-designated load.

1.23 Network Operating Agreement:

An executed agreement that contains the terms and conditions under which the Network Customer shall operate its facilities and the technical and operational matters associated with the implementation of Network Integration Transmission Service under Part III of the Tariff.

1.24 Network Operating Committee:

A group made up of representatives from the Network Customer(s) and Big Rivers established to coordinate operating criteria and other technical considerations required for implementation of Network Integration Transmission Service under Part III of this Tariff.

1.25 Network Resource:

Any designated generating resource owned, purchased or leased by a Network

Customer under the Network Integration Transmiss on Service Tariff, Network PUBLIC SERVICE COMMISSION

Resources do not include any resource, or any portion thereof, thereign communities for EXECUTIVE DIRECTOR

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sale to third parties or otherwise cannot be called upon to meet the Network

Customer's Network Load on a non-interruptible basis, except for purposes of fulfilling
obligations under a reserve sharing program.

1.26 Network Upgrades:

Modifications or additions to transmission-related facilities that are integrated with and support Big Rivers' overall Transmission System for the general benefit of all users of such Transmission System.

1.27 Non-Firm Point-To-Point Transmission Service:

Point-To-Point Transmission Service under the Tariff that is reserved and scheduled on an as-available basis and is subject to Curtailment or Interruption as set forth in Section 13.7 under Part II of this Tariff. Non-Firm Point-To-Point Transmission Service is available on an hourly basis as Hourly Non-Firm Transmission Service or on a daily, weekly or monthly basis for renewable terms as Short-Term Non-Firm Transmission Service.

1.28 Non-Firm Sale:

An energy sale for which receipt or delivery may be interrupted for any reason or no reason, without liability on the part of either the buyer or seller.

1.29 Open Access Same-Time Information System (OASIS):KENTUCKY
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The information system and standards of conduct contained in Part 37 of the Federal Energy Regulatory Commission's regulations and all additional requirements implemented by subsequent Federal Energy Regulatory Commission orders dealing with OASIS.

1.30 Part I:

Tariff Definitions and Common Service Provisions contained in Sections 2 through 12.

1.31 Part II:

Tariff Sections 13 through 27 pertaining to Point-To-Point Transmission Service in conjunction with the applicable Common Service Provisions of Part I and appropriate Schedules and Attachments.

1.32 Part III:

Tariff Sections 28 through 35 pertaining to Network Integration Transmission Service in conjunction with the applicable Common Service Provisions of Part I and appropriate Schedules and Attachments.

1.33 Parties:

Big Rivers and the Transmission Customer receiving service under the Tariff.

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1.34 Point(s) of Delivery:

Point(s) on Big Rivers' Transmission System where capacity and energy transmitted

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by Big Rivers will be made available to the Receiving Party under Part II of the Tariff.

The Point(s) of Delivery shall be specified in the Service Agreement for Long-Term

Firm Point-To-Point Transmission Service.

1.35 Point(s) of Receipt:

Point(s) of interconnection on Big Rivers' Transmission System where capacity and energy will be made available to Big Rivers by the Delivering Party under Part II of the Tariff. The Point(s) of Receipt shall be specified in the Service Agreement for Long-Term Firm Point-To-Point Transmission Service.

1.36 Point-To-Point Transmission Service:

The reservation and transmission of capacity and energy on either a firm or non-firm basis from the Point(s) of Receipt to the Point(s) of Delivery under Part II of the Tariff.

1.37 Power Purchaser:

The entity that is purchasing the capacity and energy to be transmitted under the Tariff.

1.38 Pre-Confirmed Application:

An Application that commits the Eligible Customer to execute a Service Agreement upon receipt of notification that Big Rivers can provide the requested Transmission Service.

1.39 Receiving Party:

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The entity receiving the capacity and energy transmitted by Big Rivers to Point(s) of Delivery.

1.40 Regional Transmission Group (RTG):

A voluntary organization of transmission owners, transmission users and other entities approved by the Federal Energy Regulatory Commission to efficiently coordinate transmission planning (and expansion), operation and use on a regional (and interregional) basis.

1.41 Reserved Capacity:

The maximum amount of capacity and energy that Big Rivers agrees to transmit for the Transmission Customer over Big Rivers' Transmission System between the Point(s) of Receipt and the Point(s) of Delivery under Part II of the Tariff. Reserved Capacity shall be expressed in terms of whole megawatts on a sixty (60) minute interval (commencing on the clock hour) basis.

1.42 Service Agreement:

The initial agreement and any amendments or supplements thereto entered into by the Transmission Customer and Big Rivers for service under the Tariff.

1.43 Service Commencement Date:

The date Big Rivers begins to provide service pursuant to the terms of an executed

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Service Agreement, or the date Big Rivers begins to provide service in accordance with Section 15.3 or Section 29.1 under the Tariff.

1.44 Short-Term Firm Point-To-Point Transmission Service:

Firm Point-To-Point Transmission Service under Part II of the Tariff with a term of less than one year.

1.45 System Condition

A specified condition on Big Rivers' system or on a neighboring system, such as a constrained transmission element or flowgate, that may trigger Curtailment of Long-Term Firm Point-to-Point Transmission Service using the curtailment priority pursuant to Section 13.6. Such conditions must be identified in the Transmission Customer's Service Agreement.

1.46 System Impact Study:

An assessment by Big Rivers of (i) the adequacy of the Transmission System to accommodate a request for either Firm Point-To-Point Transmission Service or Network Integration Transmission Service and (ii) whether any additional costs may be incurred in order to provide transmission service.

1.47 Third-Party Sale:

Any sale for resale in interstate commerce to a Power Purchaser that is not designated

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as part of Network Load under the Network Integration Transmission Service.

1.48 Transmission Customer:

Any Eligible Customer (or its Designated Agent) that (i) executes a Service Agreement, or (ii) requests in writing that Big Rivers file with the Kentucky Public Service Commission, a proposed unexecuted Service Agreement to receive transmission service under Part II of the Tariff. This term is used in the Part I Common Service Provisions to include customers receiving transmission service under Part II and Part III of this Tariff.

1.49 Monthly Transmission System Peak:

The maximum firm usage of Big Rivers' Transmission System in a calendar month.

1.50 Transmission Service:

Point-To-Point Transmission Service provided under Part II of the Tariff on a firm and non-firm basis.

Transmission System: 1.51

The facilities owned, controlled or operated by Big Rivers that are used to provide transmission service under Part II and Part III of the Tariff.

Initial Allocation and Renewal Procedures

Initial Allocation of Available Transfer Capability 2.1

For purposes of determining whether existing capability on I

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System is adequate to accommodate a request for firm service under this Tariff, all Completed Applications for new firm transmission service received during the initial sixty (60) day period commencing with the effective date of the Tariff will be deemed to have been filed simultaneously. A lottery system conducted by an independent party shall be used to assign priorities for Completed Applications filed simultaneously. All Completed Applications for firm transmission service received after the initial sixty (60) day period shall be assigned a priority pursuant to Section 13.2.

Reservation Priority For Existing Firm Service Customers: 2.2

Existing firm service customers (wholesale requirements and transmission-only, with a contract term of five years or more), have the right to continue to take transmission service from Big Rivers when the contract expires, rolls over or is renewed. This transmission reservation priority is independent of whether the existing customer continues to purchase capacity and energy from Big Rivers or elects to purchase capacity and energy from another supplier. If at the end of the contract term, Big Rivers' Transmission System cannot accommodate all of the requests for transmission service, the existing firm service customer must agree to accept a contract term at least equal to a competing request by any new Eligible Customer and to pay the current rate

in effect for such service; provided that, the firm service return that Enavorage in the service is a service of the service o

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first refusal at the end of such service only if the new contract is for five years or more. The existing firm service customer must provide notice to Big Rivers whether it will exercise its right of first refusal no less than one year prior to the expiration date of its transmission service agreement. This transmission reservation priority for existing firm service customers is an ongoing right that may be exercised at the end of all firm contract terms of five years or longer. Service agreements subject to a right of first refusal entered into prior to the date of implementation of this Tariff or associated with a transmission service request received prior to July 13, 2007, unless terminated, will become subject to the five year/one year requirement on the first rollover date after the date of implementation of this Tariff; provided that, the one-year notice requirement shall apply to such service agreements with five years or more left in their terms as of the date of implementation of this Tariff.

3 **Ancillary Services**

Ancillary Services are needed with transmission service to maintain reliability within and among the Control Areas affected by the transmission service. Big Rivers is required to provide and the Transmission Customer is required to purchase, the following Ancillary Services (i) Scheduling, System Control and Dispatch, and (ii) Reactive Supply and Voltage Control from Generation or Other Sources.

Big Rivers is required to offer to provide the following Ancillary Services only to PUBLIC SERVICE COMMISSION JEFF R. DEROUEN EXECUTIVE DIRECTOR

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the Transmission Customer serving load within the Big Rivers Control Area (i) Regulation and Frequency Response, (ii) Energy Imbalance, (iii) Operating Reserve - Spinning, and (iv) Operating Reserve - Supplemental. The Transmission Customer serving load within the Big Rivers Control Area is required to acquire these Ancillary Services, whether from Big Rivers, from a third party, or by self-supply.

Big Rivers is required to provide (or offer to arrange with the local Control Area Operator as discussed below), to the extent it is physically feasible to do so from its resources or from resources available to it, Generator Imbalance Service when the Transmission Service is used to deliver energy from a generator located within its Control Area. The Transmission Customer using Transmission Service to deliver energy from a generator located within Big Rivers' Control Area is required to acquire Generator Imbalance Service, whether from Big Rivers, from a third-party, or by self-supply.

The Transmission Customer may not decline Big Rivers' offer of Ancillary Services unless it demonstrates that it has acquired the Ancillary Services from another source. The Transmission Customer must list in its Application which Ancillary Services it will purchase from Big Rivers. A Transmission Customer that exceeds its firm reserved capacity at any Point of Receipt or Point of Delivery or an Eligible Customer that uses Transmission Service at a Point of Receipt or Point of Delivery that it has not reserved is required to pay for all of the Ancillary Services identified in this section The Court provided

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by Big Rivers associated with the unreserved service. The Transmission Customer or Eligible Customer will pay for Ancillary Services based on the amount of transmission service it used but did not reserve.

In the event a Transmission Customer (including Big Rivers for Third-Party Sales) makes an unreserved use of Ancillary Services in excess of the amount of such services associated with reserved Point-to-Point Transmission Service under this Tariff or in a Service Agreement (if such Service Agreement specifies a lower amount of any one or more Ancillary Services), the Transmission Customer shall pay the amount owing for the Ancillary Services if they had been properly reserved, with a separate charge applicable to each hour in which unreserved Ancillary Services are taken. The charge for the unreserved use of Ancillary Services for each hour in which excess Ancillary Services are taken shall be equal to 100% of the maximum applicable Ancillary Services Charge for that hour. Penalties collected pursuant to this section shall be distributed in the manner set forth in section 15.8.

The specific Ancillary Services, prices and/or compensation methods are described on the Schedules that are attached to and made a part of the Tariff. Three principal requirements apply to discounts for Ancillary Services provided by Big Rivers in conjunction with its provision of transmission service as follows: (1) any offer of a discount made by Big Rivers must be announced to all Higible Customer by Big Rivers must be announced to all Higible Customer by Big Rivers must be announced to all Higible Customer by Big Rivers must be announced to all Higible Customer by Big Rivers must be announced to all Higible Customer by Big Rivers must be announced to all Higible Customer by Big Rivers must be announced to all Higible Customer by Big Rivers must be announced to all Higible Customer by Big Rivers must be announced to all Higible Customer by Big Rivers must be announced to all Higible Customer by Big Rivers must be announced to all Higible Customer by Big Rivers must be announced to all Higible Customer by Big Rivers must be announced to all Higible Customer by Big Rivers must be announced to all Higible Customer by Big Rivers must be announced to all Higible Customer by Big Rivers must be announced to all Higible Customer by Big Rivers must be announced to all Highle Customer by Big Rivers must be announced to all Highle Customer by Big Rivers must be announced to all Highle Customer by Big Rivers must be announced to all Highle Customer by Big Rivers must be announced to all Highle Customer by Big Rivers must be announced to all Highle Customer by Big Rivers must be announced to all Highle Customer by Big Rivers must be announced b

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posting on the OASIS, (2) any customer-initiated requests for discounts (including requests for use by one's wholesale merchant or an Affiliate's use) must occur solely by posting on the OASIS, and (3) once a discount is negotiated, details must be immediately posted on the OASIS. A discount agreed upon for an Ancillary Service must be offered for the same period to all Eligible Customers on the Big Rivers' system. Sections 3.1 through 3.7 below list the seven Ancillary Services.

3.1 Scheduling, System Control and Dispatch Service:

The rates and/or methodology are described in Schedule 1.

3.2 Reactive Supply and Voltage Control from Generation or Other Sources Service:

The rates and/or methodology are described in Schedule 2.

3.3 Regulation and Frequency Response Service:

Where applicable the rates and/or methodology are described in Schedule 3.

3.4 Energy Imbalance Service:

Where applicable the rates and/or methodology are described in Schedule 4.

3.5 Operating Reserve - Spinning Reserve Service:

Where applicable the rates and/or methodology are described in Schedule 5.

3.6 Operating Reserve - Supplemental Reserve Service: KENTUCKY

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Where applicable the rates and/or methodology are described in Schedule 6.

3.7 Generator Imbalance Service:

Where applicable the rates and/or methodology are described in Schedule 9.

4 Open Access Same-Time Information System (OASIS)

Terms and conditions regarding Open Access Same-Time Information System and standards of conduct are set forth in 18 CFR § 37 of the Federal Energy Regulatory

Commission's regulations (Open Access Same-Time Information System and Standards of Conduct for Public Utilities) and 18 C.F.R. § 38 of the Federal Energy Regulatory

Commission's regulations (Business Practice Standards and Communication Protocols for Public Utilities). In the event available transfer capability as posted on the OASIS is insufficient to accommodate a request for firm transmission service, additional studies may be required as provided by this Tariff pursuant to Sections 19 and 32.

Big Rivers shall post on OASIS and its public website an electronic link to all rules, standards and practices that (i) relate to the terms and conditions of transmission service, (ii) are not subject to a North American Energy Standards Board (NAESB) copyright restriction, and (iii) are not otherwise included in this Tariff. Big Rivers shall post on OASIS and on its public website an electronic link to the NAESB website where any rules, standards and practices that are protected by copyright may be obtained. Big Rivers shall also post on its OASIS and on its public website an electronic link to assurement of the

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process by which Big Rivers shall add, delete or otherwise modify the rules, standards and practices that are not included in this tariff. Such process shall set forth the means by which Big Rivers shall provide reasonable advance notice to Transmission Customers and Eligible Customers of any such additions, deletions or modifications, the associated effective date, and any additional implementation procedures that Big Rivers deems appropriate.

5 [Reserved for Future Use]

6 Reciprocity

A Transmission Customer receiving transmission service under this Tariff agrees to provide comparable transmission service that it is capable of providing to Big Rivers on similar terms and conditions over facilities used for the transmission of electric energy owned, controlled or operated by the Transmission Customer and over facilities used for the transmission of electric energy owned, controlled or operated by the Transmission Customer's corporate Affiliates. A Transmission Customer that is a member of, or takes transmission service from, a power pool, Regional Transmission Group, Regional Transmission Organization (RTO), Independent System Operator (ISO) or other transmission organization approved by the Federal Energy Regulatory Commission for the operation of transmission facilities also agrees to provide comparable transmission service to the transmission-owning members of such power pool and Regional Transmission

Group, RTO, ISO or other transmission organization on similar terms and conditions over

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facilities used for the transmission of electric energy owned, controlled or operated by the Transmission Customer and over facilities used for the transmission of electric energy owned, controlled or operated by the Transmission Customer's corporate Affiliates.

This reciprocity requirement applies not only to the Transmission Customer that obtains transmission service under the Tariff, but also to all parties to a transaction that involves the use of transmission service under the Tariff, including the power seller, buyer and any intermediary, such as a power marketer. This reciprocity requirement also applies to any Eligible Customer that owns, controls or operates transmission facilities that uses an intermediary, such as a power marketer, to request transmission service under the Tariff. If the Transmission Customer does not own, control or operate transmission facilities, it must include in its Application a sworn statement of one of its duly authorized officers or other representatives that the purpose of its Application is not to assist an Eligible Customer to avoid the requirements of this provision.

7 Billing and Payment

7.1 Billing Procedure:

Within a reasonable time after the first day of each month, Big Rivers shall submit an invoice to the Transmission Customer for the charges for all services furnished under the Tariff during the preceding month. The invoice shall be paid by the Transmission

Customer by the first working day after the twenty-fourth day of the month. All

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payments shall be made in immediately available funds payable to Big Rivers, or by wire transfer to Old National Bank of Evansville, Indiana, ABA #086300012 for credit to Big Rivers' Account No. 1085559, or such other financial institution or account number as Big Rivers shall specify in writing.

7.2 **Interest on Unpaid Balances:**

Interest on any unpaid amounts (including amounts placed in escrow) shall be calculated using the one-year United States Treasury Bill rates effective as of the first business day of the calendar month in which an unpaid balance becomes overdue. Interest on delinquent amounts shall be calculated from the due date of the bill to the date of payment, with interest calculated and pro-rated for that portion of the month in which amounts are outstanding. The applicable interest rate shall be recalculated each month using the new one year United States Treasury Bill rate effective as of the first business day of the month. When payments are made by mail, bills shall be considered as having been paid on the date of receipt by Big Rivers.

7.3 **Customer Default:**

In the event the Transmission Customer fails, for any reason other than a billing dispute as described below, to make payment to Big Rivers on or before the due date as described above, and such failure of payment is not corrected within thirty (30)

calendar days after Big Rivers notifies the Transmission Classoffe Supplemental Control of the C

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a default by the Transmission Customer shall be deemed to exist. Upon the occurrence of a default, Big Rivers may terminate service subject to any applicable regulatory approval or subject to the dispute resolution procedures of Section 11 if no regulatory approval is applicable; provided, however, that Big Rivers shall not be entitled to terminate service for non-payment of undisputed bills without application of the Section 11 dispute resolution procedures if no regulatory approvals are required. In the event of a billing dispute between Big Rivers and the Transmission Customer, Big Rivers will continue to provide service under the Service Agreement as long as the Transmission Customer (i) continues to make all payments not in dispute, and (ii) pays into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If the Transmission Customer fails to meet these two requirements for continuation of service, then Big Rivers may provide notice to the Transmission Customer of its intention to suspend service in sixty (60) days.

8 Accounting for Big Rivers' Use of the Tariff

Big Rivers shall record the following amounts, as outlined below.

8.1 Transmission Revenues:

Include in a separate operating revenue account or subaccount the revenues it receives from Transmission Service when making Third-Party Sales under Part II of the Tariff.

8.2 Study Costs and Revenues:

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Include in a separate transmission operating expense account or subaccount, costs properly chargeable to expense that are incurred to perform any System Impact Studies or Facilities Studies which Big Rivers conducts to determine if it must construct new transmission facilities or upgrades necessary for its own uses, including making Third-Party Sales under the Tariff; and include in a separate operating revenue account or subaccount the revenues received for System Impact Studies or Facilities Studies performed when such amounts are separately stated and identified in the Transmission Customer's billing under the Tariff.

Regulatory Filings

Nothing contained in the Tariff or any Service Agreement shall be construed as affecting in any way the right of Big Rivers to unilaterally make changes in rates, terms and conditions, charges, classifications of service, rules or regulation of this Tariff. This Tariff, and any Service Agreement entered into thereunder, will terminate immediately at Big Rivers' option, if (1) upon request made by Big Rivers, the Federal Energy Regulatory Commission declines to issue a declaratory order approving this Tariff as complying with the reciprocity provisions of its Order Nos. 888 and 890; (ii) if a Federal Energy Regulatory Commission order approving the Tariff as complying with reciprocity is vacated on appeal; or (iii) if the Federal Energy Regulatory Commission subsequently alters its decision in the declaratory order that this Tariff complies with the reciprocity

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requirement and requires modifications to this Tariff that Big Rivers finds unacceptable. In the event Big Rivers terminates this Tariff pursuant to the above reasons, Big Rivers will continue to provide firm and non-firm transmission service to existing Transmission Customers pursuant to contractual commitments specified in Service Agreements so long as such Transmission Customers continue to grant reciprocal access to their own transmission systems or those of any affiliates pursuant to Section 6 of this Tariff.

Nothing contained in the Tariff or any Service Agreement shall be construed as affecting in any way the ability of any Party receiving service under the Tariff to exercise any applicable rights under the Federal Power Act and pursuant to the Federal Energy Regulatory Commission's rules and regulations promulgated thereunder.

10 Force Majeure and Indemnification

10.1 Force Majeure:

An event of Force Majeure means any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any Curtailment, order, regulation or restriction imposed by governmental military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include an act of negligence or intentional wrongdoing. Neither Big Rivers nor the Transmission Customer will be considered in default as to any obligation under this Tariff if prevented from fulfilling

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the obligation due to an event of Force Majeure. However, a Party whose performance under this Tariff is hindered by an event of Force Majeure shall make all reasonable efforts to perform its obligations under this Tariff.

10.2 Indemnification:

The Transmission Customer shall at all times indemnify, defend, and save Big Rivers harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demands, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from Big Rivers' performance of its obligations under this Tariff on behalf of the Transmission Customer, except in cases of negligence or intentional wrongdoing by Big Rivers.

11 Creditworthiness

Big Rivers will specify its Creditworthiness procedures in Attachment L.

12 Dispute Resolution Procedures

12.1 Internal Dispute Resolution Procedures:

Any dispute between a Transmission Customer and Big Rivers involving transmission service under the Tariff shall be referred to a designated senior representative of Big Rivers and a senior representative of the Transmission Customer for resolution on an informal basis as promptly as practicable. In the event the designated representatives KENTUCKY

are unable to resolve the dispute within thirty (30) days or such other period as the

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Parties may agree upon by mutual agreement, such dispute may be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below.

12.2 External Arbitration Procedures:

Any arbitration initiated under the Tariff shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) days of the referral of the dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall within twenty (20) days select a third arbitrator to chair the arbitration panel. In either case, the arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall generally conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association and any applicable regulations or Regional Transmission Group rules.

12.3 Arbitration Decisions:

Unless otherwise agreed, the arbitrator(s) shall render a decision within ninety (90)

days of appointment and shall notify the Parties in writing of Such accession and Sheen

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reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of the Tariff and any Service Agreement entered into under the Tariff and shall have no power to modify or change any of the above in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal Arbitration Act and/or the Administrative Dispute Resolution Act.

12.4 Costs:

Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable:

- 1. the cost of the arbitrator chosen by the Party to sit on the three member panel and one half of the cost of the third arbitrator chosen; or
- 2. one half the cost of the single arbitrator jointly chosen by the Parties.

12.5 Rights Under The Federal Power Act:

Nothing in this section shall restrict the rights of any party to take applicable action before a regulatory commission having valid jurisdiction over the subject of the complaint.

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II. POINT-TO-POINT TRANSMISSION SERVICE

Preamble

Big Rivers will provide Firm and Non-Firm Point-To-Point Transmission Service pursuant to the applicable terms and conditions of this Tariff. Point-To-Point Transmission Service is for the receipt of capacity and energy at designated Point(s) of Receipt and the transfer of such capacity and energy to designated Point(s) of Delivery.

13 Nature of Firm Point-To-Point Transmission Service

13.1 Term:

The minimum term of Firm Point-To-Point Transmission Service shall be one day and the maximum term shall be specified in the Service Agreement.

13.2 Reservation Priority:

- (i) Long-Term Firm Point-To-Point Transmission Service shall be available on a first-come, first-served basis, i.e., in the chronological sequence in which each Transmission Customer has requested service.
- (ii) Reservations for Short-Term Firm Point-To-Point Transmission Service will be conditional based upon the length of the requested transaction or reservation. However, Pre-Confirmed Applications for Short-Term Pointto-Point Transmission Service will receive priority over earlier-submitted

requests that are not Pre-Confirmed and that have equal in shorter

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duration. Among requests or reservations with the same duration and, as relevant, pre-confirmation status (pre-confirmed, confirmed, or not confirmed), priority will be given to an Eligible Customer's request or reservation that offers the highest price, followed by the date and time of the request or reservation.

If the Transmission System becomes oversubscribed, requests for service (iii) may preempt competing reservations up to the following conditional reservation deadlines: one day before the commencement of daily service, one week before the commencement of weekly service, and one month before the commencement of monthly service. Before the conditional reservation deadline, if available transfer capability is insufficient to satisfy all requests and reservations, an Eligible Customer with a reservation for shorter term service or equal duration service and lower price has the right of first refusal to match any longer term request or equal duration service with a higher price before losing its reservation priority. A longer term competing request for Short-Term Firm Point-To-Point Transmission Service will be granted if the Eligible Customer with the right of first refusal does not agree to match the competing request

within 24 hours (or earlier if necessary to comply with the scheduling

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deadlines provided in section 13.8) from being notified by Big Rivers of a longer-term competing request for Short-Term Firm Point-To-Point Transmission Service. When a longer duration request preempts multiple shorter duration reservations, the shorter duration reservations shall have simultaneous opportunities to exercise the right of first refusal. Duration, price and time of response will be used to determine the order by which the multiple shorter duration reservations will be able to exercise the right of first refusal. After the conditional reservation deadline, service will commence pursuant to the terms of Part II of the Tariff.

(iv) Firm Point-To-Point Transmission Service will always have a reservation priority over Non-Firm Point-To-Point Transmission Service under the Tariff. All Long-Term Firm Point-To-Point Transmission Service will have equal reservation priority with Native Load Customers and Network Customers. Reservation priorities for existing firm service customers are provided in Section 2.2.

13.3 Use of Firm Transmission Service by Big Rivers:

Big Rivers will be subject to the rates, terms and conditions of Part II of the Tariff when making Third-Party Sales under agreements executed after the date this Tariff

becomes effective. Big Rivers will maintain separate accounting properties by

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8, for any use of the Point-To-Point Transmission Service

13.4 Service Agreements:

Big Rivers shall offer a standard form Firm Point-To-Po Agreement (Attachment A) to an Eligible Customer whe Application for Long-Term Firm Point-To-Point Transn shall offer a standard form Firm Point-To-Point Transm (Attachment A) to an Eligible Customer when it first su for Short-Term Firm Point-To-Point Transmission Serv Eligible Customer that uses Transmission Service at a I Delivery that it has not reserved and that has not execudeemed, for purposes of assessing any appropriate char executed the appropriate Service Agreement. The Service applicable specifically SERVICIONANTESSIDIENT on tions Customer. Where the Ser ement contains co dus described in Sc is subject to a biennia Kunt Kin provide the Transmission Customer notice of any cha no less than 90 days prior to the date for imposition o

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for changes to the number of hours per year or System C conditional curtailment may occur.

13.5 Transmission Customer Obligations for Facilit Costs:

In cases where Big Rivers determines that the Transmiss providing Firm Point-To-Point Transmission Service wi impairing the reliability of service to Native Load Custo other Transmission Customers taking Firm Point-To-Po (2) interfering with Big Rivers' ability to meet prior firn others, Big Rivers will be obligated to expand or upgrad pursuant to the terms of Section 15.4. The Transmission compensate Big Rivers for any necessary transmission f the terms of Section 27. To the extent Big Rivers can republic service commission redispatching Big Rivers' generating resources, it shall a extent big Rivers is shall a extent big Rivers.

Eligible Customer agrees to complensate Big Rivers pur

redispatch requirements as described in Section 15.4. A

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additions or (ii) accept the se

> Customer on an incremental basis under the Tariff will b Agreement prior to initiating service.

13.6 Curtailment of Firm Transmission Service:

In the event that a Curtailment on Big Rivers' Transmiss thereof, is required to maintain reliable operation of sucl directly and indirectly interconnected with Big Rivers' Curtailments will be made on a non-discriminatory basi effectively relieve the constraint. Big Rivers may elect Curtailments pursuant to the Transmission Loading Rel Attachment J. If multiple transactions require Curtailm and consistent with Good Utility Practice, Big Rivers w Customers and Transmission Customers taking Firm Po Service on a basission parable to the user iment of ser FF R. DEROUEN will be made on a non-di Customer. All Curtailments Non-Firm Point-To-Bunt Kirthyion Service shall t ong-Term Firm Point-to-Poin Transmission Service. L described in Section 15.4 shall be curtailed with secon

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Transmission Service, the Transmission Customer shall upon request of Big Rivers. However, Big Rivers reserve whole or in part, any Firm Transmission Service provide Big Rivers' sole discretion, an emergency or other unfor

on its Transmission System and implements emergency

degrades the reliability of its Transmission System. Big Transmission Customers in a timely manner of any sche

13.7 Classification of Firm Transmission Service:

Service may (1) change its Receipt and Del on a non-firm basis consistent with the tern

a modification of the Points of Receipt or I

The Transmission Customer taking Firm Po

(b) The Transmission Customer may purchase sales of Customer System. For such a part of the such as th

unless the multiple generating units are at

service, the resources will be designated as

Big Rivers shall provide firm deliveries of ca (c) Point(s) of Receipt to the Point(s) of Deliver which firm transmission capacity is reserved Customer shall be set forth in the Firm Poin for Long-Term Firm Transmission Service a capacity reservation associated with each Pe Receipt and corresponding capacity reserva agreed upon by the Parties for Short-Term of Delivery at which firm transfer capabilit Transmission Customer shall be set forth in Service Agreement for Long-Term Firm T a corresponding capacity reservation assoc Delivery Political Delivery and correspondence

JEFF R. DEROUEN shall be as that watly agreed upon by the Pa er of either (1) th Transmis reservations at the Point(s) of Receipt, or 3/7/2011 reservations at the Point(s) of Delivery st Customer's Reserved Capacity. The Trai

in Section 22. In the event that a Transmiss Rivers for Third-Party Sales) exceeds its fir. Point of Receipt or Point of Delivery or use Point of Receipt or Point of Delivery that it Transmission Customer shall pay, in addition reserved capacity, a penalty on the excess a

Transmission Customer may not exceed its

Point of Receipt and each Point of Delivery

service shall be equal to 200% of the maxin

Transmissi KENCICE rate for the period of PUBLIC SERVICE COMMISSION

following

行使 For single or multi

the specific Point of Receipt or Point of Del

capacity was exceeded, with a separate pen

unreserved use. The penalty for the unreser

within a penalty shall be 200 daily rate for Firm Point-to-Point Transmiss 3/7/2011 during the day in which the unreserved use

of unreserved use on two or more separate

the unreserved use was highest; and (3) for it two or more separate days within two or more calendar month, the penalty shall be 200% of for Firm Point-to-Point Transmission Service the month in which the unreserved use was amount charged for unreserved service shall service taken and is not additive. Penalties section shall be distributed in the manner specific to the unreserved service shall be distributed in the manner specific taken and is not additive.

Point Transmission Services, based on the h

13.8 Scheduling of Firm Point-To-Point Transmissi

Schedules for the Transmission Customer's Firm Point-

commence ment of such services of one (1)

Customers within Big Rivers service area with multiple

Service at a Point of Receipt, each of which is under on consolidate their service requests at a common point of

permitted up to twenty (20) minutes before the start of the that the Delivering Party and Receiving Party also agree Big Rivers will furnish to the Delivering Party's system of schedules equal to those furnished by the Receiving Part and shall deliver the capacity and energy provided by su Transmission Customer, Delivering Party or Receiving I schedule, such party shall immediately notify Big River right to adjust accordingly the schedule for capacity and be delivered.

14 Nature of Non-Firm Point-To-Point Transmission So 14.1 Term:

Non-Firm Point-To-Point Transmission Service will be from one (1) hour to one (1) month. However, a Purchase Public Service COMMISSION

Point Transmission Service wilkbe entitled to reserve a EXECUTIVE DIRECTOR

(such as a sequential monthly remind without having to whether the total service and the public service of the public service wilkbe entitled to reserve a EXECUTIVE DIRECTOR

(such as a sequential monthly remind without having to whether the total section applies is grant and the public section of the public sectio

> Non-Firm Point-To-Point Transmission Service shall be capability in excess of that needed for reliable service to Network Customers and other Transmission Customers Term Firm Point-To-Point Transmission Service. A hig first to requests or reservations with a longer duration of Confirmed Applications. In the event the Transmission competing requests of the same Pre-Confirmation status prioritized based on the highest price offered by the Elig Transmission Service. Eligible Customers that have alre service have the right of first refusal to match any longe preempted. A longer term competing request for Non-F Transmission Service will be granted if the Eligible Cus refusal does not agree to the tolk competing request: Non-Firm Point-To-Roint ion Service after no (b) within 24 hours (c essary to comply w provided in Section 14.6) for Non-Firm Point-To-Point 3/7/2011 than hour y transactions after notification by Big Rivers

Network Customers from resources other than designat

Point(s) of Delivery will have the lowest reservation price

14.3 Use of Non-Firm Point-To-Point Transmission

Big Rivers will be subject to the rates, terms and conditi
when making Third-Party Sales under agreements execu

Tariff goes into effect. Big Rivers will maintain separat

Section 8, for any use of Non-Firm Point-To-Point Tran

Third-Party Sales.

Firm Point-To-Point Transmission Service over seconda

14.4 Service Agreements:

Agreement (Attachment B) to an Eligible Customer who Application for Non-Firm Point-To-Point Transmission

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14.5 Classification of Non-Firm Point-To-Point Transmission

EXECUTIVE DIRECTOR

Non-Firm Point-To-Point Transmission Service shall be conditions contained Tariff. Big Rivers

EFFECTIVE

the Tariff to plan its Transmission System in order to happen pursuant to 807 KAR 5:011 Section 9 (1)

Big Rivers shall offer a standard form Non-Firm Point-

under the terms of the Tariff. In the event that a Transmi Transmission Provider for Third-Party Sales) exceeds its at any Point of Receipt or Point of Delivery or uses Tran Receipt or Point of Delivery that it has not reserved, the pay, in addition to the amount owing for the reserved car amount of transmission taken at the specific Point of Re where the reserved capacity was exceeded, with a separa unreserved use. The penalty for the unreserved use of tr equal to 200% of the maximum applicable Firm Point-to rate for the period of unreserved use, subject to the follo or multiple instances or unreserved use within a single of of the maximum applicable daily rate for Firm Point-tobased on the hour during the Hay in which the unieserve instances of unreserved use on two cormore separate da penalty shall be 200% ım weekly ra<mark>t</mark>e for Transmission Service, based on the hour during the we 3/7/2011 was highest; and (3) for instances of unreserved use on within two or more separate weeks within a calendar n

amount charged for unreserved service shall comprise the and is not additive. Penalties collected pursuant to this s the manner specified in Section 15.8. Non-Firm Point-T shall include transmission of energy on an hourly basis a short-term capacity and energy on a daily, weekly or mo one month's reservation for any one Application, under 14.6 Scheduling of Non-Firm Point-To-Point Trans Schedules for Non-Firm Point-To-Point Transmission S Big Rivers no later than 2:00 p.m. of the day prior to co Schedules submitted after 2:00 p.m. will be accommod hour schedules of energy that is to be delivered must be MW per hour. Planton Strong Custom the Big Ri requests for Transmission Service at a Point of Receip MW per hour, may collect Kindley schedules at a con of one (1) MW per hour. minutes before the start of the next clock hour provid

to the schedule modification

the hour during the month in which the unreserved use w

the Receiving Party (unless reduced for losses) and shall energy provided by such schedules. Should the Transmis Party or Receiving Party revise or terminate any schedul immediately notify Big Rivers, and Big Rivers shall hav accordingly the schedule for capacity and energy to be r

14.7 Curtailment or Interruption of Service:

Big Rivers reserves the right to Curtail, in whole or in p
Transmission Service provided under the Tariff for relia
emergency or other unforeseen condition threatens to in
of its Transmission System or the systems directly and
Big Rivers' Transmission System. Big Rivers may ele
Curtailments pursuant to the Transmission Loading Re
Attachment J. BigRivers Reserve Medical Modern
Point-To-Point Transmission Service provided under the transmission

Can Natwork Customers from

Non-Firm Point-To-Point Transmission Service of ed

Non-Firm Point-To-Point

ission Service of gr

curtailment periods as described in Section 15.4. Big Riv reduce service to the Transmission Customer to the exter transmission are discontinued or reduced at the Point(s) Curtailments or Interruptions will be made on a non-disc transaction(s) that effectively relieve the constraint, how Point Transmission Service shall be subordinate to Firm multiple transactions require Curtailment or Interruption consistent with Good Utility Practice, Curtailments or I transactions of the shortest term (e.g., hourly non-firm t Interrupted before daily non-firm transactions and daily Curtailed or Interrupted before weekly non-firm transafor Network Customers from resources other than design have a higher priority that JEFF R. DEROUEN
the Tariff. Non-Firm Fount Top Remarksion Se have a lower price Receipt and Point(s) To-Point Transmission Service Whider the Tariff. notice of Curtailment or Interruption where such notic

with Good Utility Practice.

15.1 General Conditions:

Big Rivers will provide Firm and Non-Firm Point-To-Po on or across its Transmission System to any Transmissio requirements of Section 16.

15.2 Determination of Available Transfer Capabilit
A description of Big Rivers' specific methodology for a
capability posted on Big Rivers' OASIS (Section 4) is c
the Tariff. In the event sufficient transfer capability ma
service request, Big Rivers will respond by performing

If Big Rivers and the Transmission Customer requestir

Point Transmission Service cannot agree on all the term KENTUCKY

To-Point Service Agreement, Big Rivers shall submit EXECUTIVE DIRECTOR

within thir y (30) days after the date the Transmission notification directing Service Agreement, So, an unexecute EFFECTIVE

Agreement containing terms 2011 and 10 nditions deemed a

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

requested Transmission Service. Big Rivers shall con

including posting appropriate security deposits in accordance 17.3. In the event a Transmission Customer accepting transverse under an unexecuted agreement disagrees with the service, that customer shall have recourse to the dispute Section 12 of the Tariff.

15.4 Obligation to Provide Transmission Service th Modification of the Transmission System, Redis Curtailment:

(a) If Big Rivers determines that it cannot accordance Application for Firm Point-To-Point Transing insufficient capability on its Transmission diligence to expand or modify its Transmirequested Firm Transmission Service, con

requested Firm Transmission Service, con

KENTUCKY
oblight She Attachment K sprovided the

JEFF R. DEROUEN
EXECUTIVE DIRECTOR
to compensate Big Rivers for such costs p
TARIFF BRANCH

27. Big F

orm to Good Uti

obligations in Attachment K, in determin

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)
and in the design and construction of suc

. 1 4- 41-00 facilities that Rig R

- If Big Rivers determines that it cannot accon (b) Application for Long-Term Firm Point-To-P because of insufficient capability on its Trar will use due diligence to provide redispatch (i) Network Upgrades are completed for the Big Rivers determines through a biennial re longer reliably provide the redispatch, or (i terminates the service because of redispatch reassessment. Big Rivers shall not unreasc redispatch or redispatch arranged by the Ti third party resource.
- (c) If Big Rivers determines that it cannot acc

Application For Level Commission Point-To

JEFF R. DEROUEN
because of insufficient Capability on its Transmission Service

Rivers may cuffent the service prior to the 3/7/2011

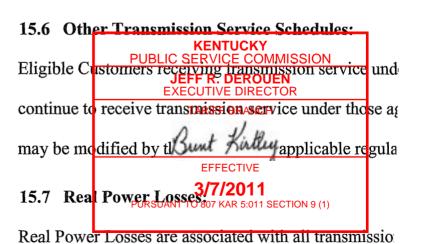
Transmission Service for a specified num

System Condition(s). If the Transmissio

Upgrades are completed for the Transmissio determines through a biennial reassessment provide such service, or (iii) the Transmission service because the reassessment increased of conditional curtailment or changed the St

15.5 Deferral of Service:

Big Rivers may defer providing service until it complete transmission facilities or upgrades needed to provide Fi Transmission Service whenever Big Rivers determines service would, without such new facilities or upgrades, any existing firm services.



Rivers. Big Rivers shall recalculate average system Rea yearly basis according to the methodology specified in S

15.8 Distribution of Unreserved Use Penalties:

In the event that unreserved use occurs in a given month

14.5, 28.6, and/or 30.4, Big Rivers shall distribute reven for unreserved use to those Transmission Customers (inceprovider for Third-Party Sales and Native Load Custom reserved transmission service during the hours in which and did not incur unreserved use penalties in that hour; provider shall retain 50% of any unreserved use penalties the unreserved use. In the event that Big Rivers' power

unreserved use penalties that reflects the base Firm Poir

TARIFF BRANCH

Service charge for the Large for the Lar

penalties, Big Rivers shall be disqualified from receivin

3/7/2011

for each hour in which an unreserved penalty is assesse

transmission service revenues from each Transmission

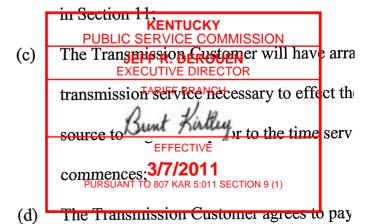
from all such Transmission Customers that did not incur that hour. Distribution shall be accomplished via a credit Customer's bill(s) for the applicable billing month or by Transmission Customer during the applicable billing mo Transmission Provider shall retain amounts allocated to

16 Transmission Customer Responsibilities

16.1 Conditions Required of Transmission Custome

Point-To-Point Transmission Service shall be provided following conditions are satisfied by the Transmission (

- (a) The Transmission Customer has pending a service;
- (b) The Transmission Customer meets the cre



> whether or not the Transmission Customer ta of its reservation;

- (e) The Transmission Customer provides the in:
 Rivers' planning process established in Atta
- (f) The Transmission Customer has executed a Agreement or has agreed to receive service

16.2 Transmission Customer Responsibility for Thi

Any scheduling arrangements that may be required by a the responsibility of the Transmission Customer request Customer shall provide, unless waived by Big Rivers, a identifying such systems and authorizing them to sched be transmitted by Big Rivers pursuant to Part II of the Party at the Point of Delivery of the Delivering Party a However, Big Rivers WELLINGER TERSONABLE efforts TARIFF BRANCH

Customer in making s Line in the point of the State of the Stat

7 Branduras for Arranging Firm Point-To-Point Tr

Practice.

information or data required by such other electric sys

A request for Firm Point-To-Point Transmission Service longer must contain a written Application to:

Big Rivers Electric Corporation 201 Third Street, P.O. Box 24 Henderson, Kentucky 42420 Vice President System Operations Telephone No. (502) 827-2561 Telefax No. (502) 827-0183

at least sixty (60) days in advance of the calendar month commence. Big Rivers will consider requests for such when feasible. Requests for firm service for periods of subject to expedited procedures that shall be negotiated time constraints provided in Section 17.5. All Firm Pc Service requests should be submitted by entering the in Big Rivers OASIS. Prior to implementation of Big Riv the re Application may Rivers by telefax, or (ii) providing the information by Kallyse methods will p recorded telephone li Sunt 1 establishing the priority of the priority. PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

17.2 Completed Application:

including but not limited to the following:

- (i) The identity, address, telephone number and entity requesting service;
- (ii) A statement that the entity requesting servic commencement of service, an Eligible Cust
- (iii) The location of the Point(s) of Receipt and I identities of the Delivering Parties and the I
- (iv) The location of the generating facility(ies) senergy and the location of the load ultimate energy transmitted. Big Rivers will treat the except to the extent that disclosure of this in Tariff, by regulatory or judicial order, for r

Good Utility PNOTICE OF pursuant to RTG to PUBLIC SERVICE COMMISSION

sharing agreements Resident Services shall treat

TARIFF BRANCH contained in Part

Regulatory Commission's regulations;

(v) A description of the supply characteristics

delivered;

Receiving Party;

(vii) The Service Commencement Date and the to

Transmission Service;

(viii) The transmission capacity requested for each

Point of Delivery on Big Rivers' Transmiss: combine their requests for service in order t

transmission capacity requirement;

(ix) A statement indicating that, if the Eligible CConfirmed Application, the Eligible Custon

Agreement upon receipt of notification that requested Transmission Service; and

(x) Any additional information required by Big

Big Rivers shall treat this HUDGHALLOR consistent with the contained in Part 37

TARIFF BRANCH nergy Regulatory (

17.3 Deposit:

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3/7/2011

A Completed Application for Firm Point-To-Point Tran

include a deposit of either one month's charge for Reser

> is rejected by Big Rivers because it does not meet the co herein, or in the case of requests for service arising in co a Request For Proposals (RFP), said deposit shall be retu using the one-year United States Treasury Bill rates effe day of each applicable calendar month) less any reasona Rivers in connection with the review of the losing bidde also will be returned with interest (calculated as above) incurred by Big Rivers if Big Rivers is unable to comple provide the service. If an Application is withdrawn or t not to enter into a Service Agreement for Firm Point-To the deposit shall be refunded in full, with interest (calcu costs incurred by Big Rivers to the extent such costs ha by Big Rivers from the **Eligitie** Customer. Big Rivers Customer a complete accounting of all costs deducted f ntest if there is a d which the Eligible C costs. Deposits associated with construction of new fa provisions of Section TO. 8018 a Service Agreement for F

Transmission Service is executed, the deposit, with int

Firm Point-To-Point Transmission Service. Applicable in from the day the deposit check is credited to Big Rivers'

17.4 Notice of Deficient Application:

If an Application fails to meet the requirements of the Tathe entity requesting service within fifteen (15) days of rational failure. Big Rivers will attempt to remedy minor deficienthrough informal communications with the Eligible Cusunsuccessful, Big Rivers shall return the Application, al interest. Upon receipt of a new or revised Application 1 requirements of Part II of the Tariff, the Eligible Custon priority consistent with the date of the new or revised Application 1

17.5 Response to a Completed Application:

Following receipt BELC CERNY TERROUEN
Service, Big Rivers shall make a determination of avairequired in Section 1: Section 1: Shall notify the E practicable, but not later than thirty (30) days after the PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Application either (i) if it will be able to provide servi

" is --- to attribute needed to evalu

> practicable to all completed applications (including appli function) and the timing of such responses must be made basis.

17.6 Execution of Service Agreement:

Whenever Big Rivers determines that a System Impact ? the service can be provided, it shall notify the Eligible C but no later than thirty (30) days after receipt of the Con System Impact Study is required, the provisions of Sect execution of a Service Agreement. Failure of an Eligib return the Service Agreement or request the filing of an pursuant to Section 15.3, within fifteen (15) days after i be deemed a withdrawal and termination of the Applica rest Nothing housin limits t shall be refunded with inte FF R. DEROUEN to file another Applied Fight Withdrawal and to

Legent of Service: 17.7 Extensions for Sund

The Transmission Customer/cap obtain, subject to avai PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

extensions for the commencement of service. The Tra

------- - non refundable annual re

15 days of notifying Big Rivers it intends to extend the conduring any extension for the commencement of service a Completed Application for Firm Transmission Service, a satisfied only by releasing all or part of the Transmission Capacity, the original Reserved Capacity will be release condition is satisfied. Within thirty (30) days, the original agrees to pay the Firm Point-To-Point transmission rate concurrent with the new Service Commencement Date. Customer elects to release the Reserved Capacity, the rethereof previously paid will be forfeited.

18 Procedures for Arranging Non-Firm Point-To-Poin18.1 Application:

Eligible Customers seeking Non-Firm Point To Point'

KENTUCKY

PUBLIC SERVICE COMMISSION

submit a Completed Application to Big Rivers. Application to Big River implementation of the EFFECTIVE

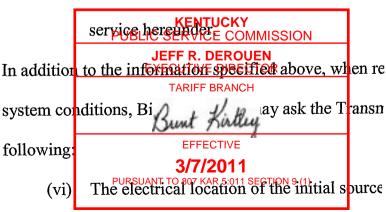
by (i) transmitting the realize Offormation to PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

record for establishing the service priority of the Applica

18.2 Completed Application:

A Completed Application shall provide all of the information 2.20 including but not limited to the following:

- (i) The identity, address, telephone number and entity requesting service;
- (ii) A statement that the entity requesting service commencement of service, an Eligible Cust
- (iii) The Point(s) of Receipt and the Point(s) of
- (iv) The maximum amount of capacity requeste Point of Delivery; and
- (v) The proposed dates and hours for initiating



pursuant to the Transmission Customer's 1

Big Rivers will treat this information in (vi) and (vii) as of the Transmission Customer except to the extent that disc required by this Tariff, by regulatory or judicial order, for to Good Utility Practice, or pursuant to RTG transmission agreements. Big Rivers shall treat this information conscionduct contained in Part 37 of the Federal Energy Regulations.

(viii) A statement indicating that, if the Eligible (Confirmed Application, the Eligible Custor Agreement upon receipt of notification that requested Transmission Service.

18.3 Reservation of Non-Firm Point-To-Point Tran

Requests for monthly service from the submitted to earl service is to commence requests for weekly service sharp fourteen (14) days be a commence, requisibility of commence o

commence. Requests for service received later than 2:

18.4 Determination of Available Transfer Capability
Following receipt of a tendered schedule Big Rivers will
non-discriminatory basis of available transfer capability
Such determination shall be made as soon as reasonably
not later than the following time periods for the followir
(30) minutes for hourly service, (ii) thirty (30) minutes f
hours for weekly service, and (iv) two (2) days for mont

19 Additional Study Procedures For Firm Point-To-Poi Requests

19.1 Notice of Need for System Impact Study:

After receiving a request for service, Big Rivers shall d discriminatory basis whether a System Impact Study is Rivers' methodology for completing a System Impact Study In Rivers determined by River

EXECUTIVE DIRECTOR the Eligible Cu

Conce informed, the E. Current of the Study redispatch or conditional curtailment of the Study. If notification is provided prior to tender of the

the Eligible Customer can avoid the costs

Application, tender a System Impact Study Agreement policy Customer shall agree to reimburse Big Rivers for perform Impact Study. For a service request to remain a Comple Customer shall execute the System Impact Study Agreement Rivers within fifteen (15) days. If the Eligible Customer System Impact Study Agreement, its application shall be deposit, pursuant to Section 17.3, shall be returned with

19.2 System Impact Study Agreement and Cost Rei

(i) The System Impact Study Agreement will estimate of the actual cost, and time for constudy. The charge shall not exceed the actual performing the System Impact Study, Big

reasonably stacticable consisting transm

JEFF R. DEROUEN

Eligible Existence will be assessed a c

TARIFF BRANCH

however, stomer will be re

with any modifications to existing plannin

3/7/2011

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)
necessary to evaluate the impact of the El

service on the Transmission System.

to the same competitive solicitation, a single sufficient for Big Rivers to accommodate the costs of that study shall be pro-rated among (iii) For System Impact Studies that Big Rivers of Big Rivers shall record the cost of the Syste Section 20.

19.3 System Impact Study Procedures:

Upon receipt of an executed System Impact Study Agrediligence to complete the required System Impact Study

The System Impact Study shall identify (1) any system of specificity by transmission element or flowgate, (2) redirected by an Eligible Customer) including an estimate conditional curtainness continuous Conditions (when sequested by an Impact Study System Conditions (System Conditions Co

study of redispatch options, the System Impact Study shallocated within the Big Rivers Control Area that can sign

curtailment may occ Bunt Kuthy tional Direct Assign

Upgrades required to provide the requested service. For

> complete the required System Impact Study within such the Eligible Customer and provide an estimated complet explanation of the reasons why additional time is require studies. A copy of the completed System Impact Study be made available to the Eligible Customer as soon as the complete. Big Rivers will use the same due diligence in Study for an Eligible Customer as it uses when completi Rivers shall notify the Eligible Customer immediately u Impact Study if the Transmission System will be adequate of a request for service of that Go costs are likely to be i denteracrequest to remain a facilities or upgradesEd ie System Impact St fifteen (15) days of must execute a Service Agreement or request the issuan /7/2011 Agreement pursuant to Section 15.5, or the Application and withdrawn.

impact on the system constraint. If Big Rivers possesses

any resource outside its Control Area could relieve the c

such resource in the System Impact Study. In the event

If a System Impact Study indicates that additions or upgr System are needed to supply the Eligible Customer's serwithin thirty (30) days of the completion of the System I the Eligible Customer a Facilities Study Agreement purs Customer shall agree to reimburse Big Rivers for perfor Study. For a service request to remain a Completed App Customer shall execute the Facilities Study Agreement: within fifteen (15) days. If the Eligible Customer elects Study Agreement, its application shall be deemed with to Section 17.3, shall be returned with interest. Upon re Study Agreement, Big Rivers will use due diligence to Study within a Rivers shall notif Study in the allotted t and provide an estimate of the time needed to reach a f onal time is requir **Stucky** Ill include a godd fait completed, the Facilities Direct Assignment Facilities to be charged to the Trans

Transmission Customer shall provide Big Rivers with a lareasonable form of security acceptable to Big Rivers equal facilities or upgrades consistent with commercial practic Uniform Commercial Code. The Transmission Customer execute a Service Agreement or request the issuance of a Agreement and provide the required letter of credit or of request will no longer be a Completed Application and swithdrawn.

19.5 Facilities Study Modifications:

Any change in design arising from inability to site or co will require development of a revised good faith estima also will be required from the required fr

Transmission System within a reasonable time. Big Rive existing or planned Transmission System in order to pro To-Point Transmission Service if doing so would impair impair or degrade existing firm service.

19.7 Partial Interim Service:

If Big Rivers determines that it will not have adequate to full amount of a Completed Application for Firm Point-Service, Big Rivers nonetheless shall be obligated to off the requested Firm Point-To-Point Transmission Service without addition of any facilities and through redispatch not be obligated to provide the incremental amount of r Transmission Service that requires the addition of facility Transmission System until Such Cavilities on upgrades h

JEFF R. DEROUEN

EXECUTIVE DIRECTOR

19.8 Expedited Procedures Facilities:

In lieu of the procedure over the Eligible C

expedite the process by represting Big Rivers to tender Pursuant to 807 KAR 5:011 SECTION 9 (1) results of required studies, an "Expedited Service Agreement of the process by represting Big Rivers to tender pursuant to 807 KAR 5:011 SECTION 9 (1)

> Customer shall request in writing an expedited Service A above-specified items within thirty (30) days of receiving Impact Study identifying needed facility additions or up providing the requested service. While Big Rivers agree Customer with its best estimate of the new facility costs incurred, such estimate shall not be binding and the Elig writing to compensate Big Rivers for all costs incurred 1 the Tariff. The Eligible Customer shall execute and reti Agreement within fifteen (15) days of its receipt or the service will cease to be a Completed Application and w withdrawn.

Penalties for Failure to Meet Study Deadlin Sections 19.3 and 19.4 recentral Big Rivers to use due di PUBLIC SERVICE COMMISSION completion deadlines FEFF DERQUENCE Studies and Fa (i) Big Rivers TARIFF BRANCH OASIS in the every percent of non-Attuates System Impact Str 3/7/2011 completed by Big Rivers in Tany two consecu

completed within the 60-day study completion

triggering the notice requirement.

Studies and Facilities Studies processed outsid completion deadlines, Big Rivers shall consider and Facilities Studies that it completes for nor quarter. The percentage should be calculated those studies which are completed on time by studies. Big Rivers may provide an explantion believes there are extenuating circumstances the 60-day study completion deadlines.

(iii) Big Rivers is subject to an operational penalt percent or more of non-Affiliates' System In

Studies outside 50 The 60-day study completic PUBLIC SERVICE COMMISSION

calendar quarters properties following the posting. The posting of the quarter that trigg notification. The operational penalty will constitute the posting of the posting of the quarter that trigg notification. The operational penalty will constitute the posting of the posting

Affiliates' System Impact Studies and Facilitic deadline.

(iv) For penalties assessed in accordance with substance amount for each System Impact Study or Faci \$500 for each day Big Rivers takes to complete deadline, and this penalty amount assessed agashall be distributed by Big Rivers in the follow among the Eligible Customers whose System Studies were delayed in that month, in accord

20 Procedures if Big Rivers is Unable to Complete New Firm Point-To-Point Transmission Service

20.1 Delays in Construction of New Facilities:

experienced by each.

If any event occurs the real limit of the state of the state of the ability to complete them. Rivers shall prompt Customer. In such complete them. Big Rivers shall with

Customer. In such Caramana, Big Rivers shall with the Transmission Customer of such delays, convene a te

Transmission Customer to evaluate the alternatives avai

and work papers related to the delay, including all inform of Big Rivers that is reasonably needed by the Transmiss alternatives.

20.2 Alternatives to the Original Facility Additions:

When the review process of Section 20.1 determines that to the originally planned construction project, Big River alternatives for consideration by the Transmission Customaternatives, the Transmission Customer desires to main subject to construction of the alternative facilities, it may a revised Service Agreement for Firm Point-To-Point T alternative approach solely involves Non-Firm Point-To-Big Rivers shall promptly tender a Service Agreement Transmission Service Service Agreement Transmission Service Service Project Service In the JEFF R. DEROUEN

No reasonable alternative DIRECTOR Transmission C

pursuant to Section 12 or it may refer the dispute to any commission with jurisdiction for resolution.

> alternatives exist and the requested service cannot be pro capability under the conditions of Part II of the Tariff, th requested Firm Point-To-Point Transmission Service sha made by the Transmission Customer shall be returned w the one-year United States Treasury Bill rates effective a each applicable calendar month). However, the Transm responsible for all prudently incurred costs by Big River was suspended.

Provisions Relating to Transmission Construction ar Other Utilities

21.1 Responsibility for Third-Party System Addition

Big Rivers shall not be responsible for making arranger engineering, permitting, and construction of transmissic

the system (s) of any other white comforce braining any re JEFF R. DEROUEN

facilities. Big Rivers will undertake reasonable defforts

Customer in obtainin Runt Kullynents, including wi y such other electric syste information or data required b

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Practice.

pursuant to the provisions of Part II of the Tariff, and if s the addition of transmission facilities on other systems, I to coordinate construction on its own system with the co Big Rivers, after consultation with the Transmission Cus such other systems, may defer construction of its new tra transmission facilities on another system cannot be com-Rivers shall notify the Transmission Customer in writing to defer construction and the specific problems which m initiate or resume construction of new facilities. Within written notification by Big Rivers of its intent to defer c section, the Transmission Customer may challenge the dispute resolution procedures pursuant to Section 12.

22.1 Modifications of Received Basis: The Transmission Current Firm Point-To-Poir request Big Rivers to programs this sion service on a and Delivery Points other than those specified in the Se

Receipt and Delivery Points"), in amounts not to excee

or executing a new Service Agreement, subject to the fol

- (a) Service provided over Secondary Receipt ar
 firm only, on an as-available basis and will:
 firm service reserved or scheduled by thirdBig Rivers on behalf of its Native Load Cus
- (b) The sum of all Firm and non-firm Point-Toprovided to the Transmission Customer at a section shall not exceed the Reserved Capa Agreement under which such services are p
- (c) The Transmission Customer shall retain its To-Point Transmission Service at the Recei specified in the relevant Service Agreemen

capacity restriction

JEFF R. DEROUEN
Service over Secondary Receipt and Delive

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shall not ag of an Application

Transmission Service under the Tariff. Ho

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Part II of the Tariff (except as to transmission)

transmission service on a non-firm basis or

22.2 Modification On a Firm Basis:

Any request by a Transmission Customer to modify Rec firm basis shall be treated as a new request for service in hereof, except that such Transmission Customer shall not additional deposit if the capacity reservation does not ex the existing Service Agreement. While such new request Customer shall retain its priority for service at the existing Points specified in its Service Agreement.

23 Sale or Assignment of Transmission Service

Subject to Federal Energy Regulatory Commission approximate to Federal Energy Regulatory Commission approximates and Customer may sell, assign, or transfer all its Service Agreement, but only to another Eligible Cus PUBLIC SERVICE COMMISSION

Transmission Customer that religible Cus EXECUTIVE DIRECTOR

Agreement is hereafter Terrest to as the Reseller. Con exceed the higher of Commission Customer that religible Reseller. Con exceed the higher of Commission Customer that religible Reseller.

cost capped at Big Rivers' cost of expansion; provided

between the Reseller and the Assignee.

The Assignee must execute a service agreement with Big reassignments of transmission service prior to the date of commences. Big Rivers shall charge the Reseller, as app the Reseller's Service Agreement with Big Rivers or the and credit the Reseller with the price reflected in the Asi with Big Rivers or the associated OASIS schedule; prov reversed in the event of non-payment by the Assignee. request any change in the Point(s) of Receipt or the Point any other term or condition set forth in the original Serv will receive the same services as did the Reseller and th Assignee will be the same as that of the Reseller. The terms and conditions of this Lariff, If the Assignee req reservation priority of service will be determined by Bi 13.2. ent or Transfer of Ser 23.2 Limitations on A If the Assignee requests a change in the Point(s) of Rea

1---- in any other appoifications set forth in the original

the change will not impair the operation and reliability of transmission, or its member distribution systems. The A Rivers for performing any System Impact Study needed the Transmission System to accommodate the proposed costs resulting from such change. The Reseller shall ren of all obligations under the Service Agreement, except a Rivers and the Reseller through an amendment to the Se 23.3 Information on Assignment or Transfer of Ser In accordance with Section 4, all sales or assignments o through or otherwise posted on Big Rivers' OASIS on (service commences and are subject to Section 23.1. Re OASIS to post transmission capacity available for resal

24 Metering and Power Factor Correction at Receipt a ROUEN rR@bligations: Transmission

ussion Customer s Unless otherwise agr and maintaining compatible inetering and communicat 3/7/2011 account for the capacity and energy being transmitted 1

communicate the information to Big Rivers. Such equ

24.2 Transmission Provider Access to Metering Dat

Big Rivers shall have access to metering data, which ma facilitate measurements and billing under the Service As

24.3 Power Factor:

Unless otherwise agreed, the Transmission Customer is factor within the same range as Big Rivers pursuant to C power factor requirements are specified in the Service A

25 Compensation for Transmission Service

Rates for Firm and Non-Firm Point-To-Point Transm
the Schedules appended to the Tariff: Firm Point-To-Point
(Schedule 7); and Non-Firm Point-To-Point Transmission S
Rivers shall use Part II of the Tariff to make its Third-Party
account for such use at the application of the Tariff rates, pursuant

26 Stranded Cost Recoverytive DIRECTOR

Big Rivers may seek TARIFE BRANCH stranded costs from 1

pursuant to this Tariff in Tariff in

FERC Order No. 888 SURSUANT TO 807 KAR 5:011 SECTION 9 (1)

27 Compensation for New Facilities and Redispatch Co

facilities, the Transmission Customer shall be responsible for consistent with Federal Energy Regulatory Commission police. Impact Study performed by Big Rivers identifies capacity coby redispatching Big Rivers' resources to eliminate such cont Customer shall be responsible for the redispatch costs to the Energy Regulatory Commission policy.

III. <u>NETWORK INTEGRATION TRANSMISSION SERVIC</u>

Preamble

applicable terms and conditions contained in the Tariff and Service Integration Transmission Service allows the Network Customer to dispatch and regulate its current and Service Commission Resources of manner comparable to that in which Big Rivers utilizes its Transmission Service Load Customers. Netwo and asserted to the Service Commission Service Comm

28 Nature of Network Integration Transmission Service 28.1 Scope of Service:

Network Integration Transmission Service is a transmiss

Network Customers to efficiently and economically utili

(as well as other non-designated generation resources) to
located in Big Rivers' Control Area and any additional lo
pursuant to Section 31.3 of the Tariff. The Network Cus
Integration Transmission Service must obtain or provide
Section 3.

28.2 Transmission Provider Responsibilities:

Big Rivers will plan, construct, operate and maintain its accordance with Good Utility Practice and its planning order to provide the Network Unistomer with Network In Public Service Commission

Service over Big Rivers of Range Branch

Load Customers, sha designate resource as any Network Customer and order art III of this Tariff.

3/7/2011

consistent with the information used by Big Rivers to care

capability. Big Rivers shall include the Network Custo

Attachment K, endeavor to construct and place into serv capability to deliver the Network Customer's Network R Load on a basis comparable to Big Rivers' delivery of it purchased resources to its Native Load Customers.

28.3 Network Integration Transmission Service:

Network Customer for the delivery of capacity and energy Network Resources to service its Network Loads on a backies of the Transmission System to reliably serve

Big Rivers will provide firm transmission service over it

28.4 Secondary Service:

The Network Customer may use Big Rivers' Transmissi its Network Loads from resources that have not been deadless of the Network Loads from resources that have not been deadless of the Network Loads from resources that have not been deadless of the Network Loads from resources that have not been deadless of the Network Resources of the Network R

than any Non-Firm Point-To-Point Transmission Carvio

Real Power Losses are associated with all transmission s obligated to provide Real Power Losses. The Network (replacing losses associated with all transmission service Power loss factors calculated by Big Rivers. Big Rivers system Real Power Loss factors on an annual basis using Schedule 10 of the Tariff.

28.6 Restrictions on Use of Service:

The Network Customer shall not use Network Integratic sales of capacity and energy to non-designated loads, or of transmission service by the Network Customer to thin Customers taking Network Integration Transmission Set Transmission Service under Part I of the Tariff for any Public Service Commission

requires use of Big RIFETSR TRANSFERSHENION System. In the Customer (including the Transmission Provider) uses N Transmission Service of Executive preservice pursuant to the Wholesale sale that does not serve a Network Load, such

unreserved use of transmission service. In such instance

with a separate penalty for each period of unreserved use unreserved use of transmission service shall be equal to: Point-to-Point Transmission Service rate for the period of the following principles: (1) For single or multiple instar single day, the charge shall be 200% of the maximum ar off-peak, depending upon the day in which the unreserve to-Point Transmission Service, based on the hour during unreserved use was highest; (2) for instances of unreserved separate days within a single week, the charge shall be 2 rate for Firm Point-to-Point Transmission Service, based in which the unreserved use was highest; and (3) for ins two or more separate days within two or more separate the penalty shall be 2002 of the maximum monthly rate Service, based on the hour during the month in which the Bunt Kirlley erved service shall The 200% amount cl service taken and is not additive. Penalties collected pu distributed in the manner specified in Section 15.8.

29 Initiating Service

Subject to the terms and conditions of Part III of the Tar Network Integration Transmission Service to any Eligibithe Eligible Customer completes an Application for service of the Tariff, (ii) the Eligible Customer and Big Rivers of arrangements set forth in Sections 29.3 and 29.4, (iii) the Service Agreement pursuant to Attachment F for service requests in writing that Big Rivers implement a propose Agreement, and (iv) the Eligible Customer executes a N with Big Rivers pursuant to Attachment G, or requests it proposed unexecuted Network Operating Agreement.

29.2 Application Procedures:

Application, with a deposition of the month of the month

priority Applications should be submitted by entering

An Eligible Customer requesting service under Part III

Application may be submitted by (i) transmitting the requirements Rivers by telefax, or (ii) providing the information by telefax recorded telephone line. Each of these methods will provide all of the service priority of the Application. A Comprovide all of the information included in 18 CFR § 2.20 the following:

- (i) The identity, address, telephone number and requesting service;
- (ii) A statement that the party requesting servic commencement of service, an Eligible Cust
- (iii) A description of the Network Load at each description should separately identify and p

best estimate of the loads to be served

level, and the loads to be served from each

TARIFF BRANCH

substati

ransmission voltage

include a tent (10) year forecast of summer a

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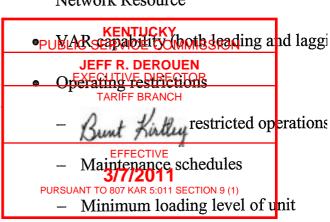
requirements beginning with the first year a

commence;

> Network Load. This shall include the sumn requirements for each interruptible load (har interruptible), that portion of the load subject conditions under which an interruption can limitations on the amount and frequency of Customer should identify the amount of inte any) included in the 10 year load forecast p above;

- (v) A description of Network Resources (currer each on-system Network Resource, such de
 - Unit size and amount of capacity from

Network Resource



Normal operating level of unit

contract reasons

- Approximate variable generating cost (see computations
- from generating facilities located in Big
 only a portion of unit output is designat

For each off-system Network Resource, suc

- Identification of the Network Resource
- Amount of power to which the custome
- ullet Identification of the control area from v
 - Delivery point(s) to Big Rivers' Transn
- Transmission arrangements on the extermination



- Minimum loading level of unit
- PURSUANT TO 807 KAR 5:011 SECTION 9 (1
- Normal operating level of unit

Any must min unit designations rea

- Approximate variable generating cost (computations;
- (vi) Description of Eligible Customer's transmis
 - Load flow and stability data, such as releast load, lines, transformers, reactive device normal and emergency ratings of all trafflow format compatible with that used be
 - Operating restrictions needed for reliabi
 - Operating guides employed by system o
 - Contractual restrictions or committed us transmission system, other than the Eligi Loads and Resources
 - Location of Network Resources describe
 KENTUCKY
 PUBLIC SERVICE COMMISSION
 10 year projection of system expansions
 EXECUTIVE DIRECTOR

 Transmission System maps that include a

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Thermal ratings of Eligible Customer's Computer of the Pursuant to 807 Kar 5:011 Section 9 (1)

Control Areas;

- Integration Transmission Service. The minimum term for Network Integration Transmission Service is one year;
- (viii) A statement signed by an authorized officer from or agent of the Network

 Customer attesting that all of the network resources listed pursuant to

 Section 29.2(v) satisfy the following conditions: (1) the Network

 Customer owns the resource, has committed to purchase generation

 pursuant to an executed contract, or has committed to purchase generation

 where execution of a contract is contingent upon the availability of

 transmission service under Part III of the Tariff; and (2) the Network

 Resources do not include any resources, or any portion thereof, that are

 committed for sale to non-designated third party load or otherwise cannot

 be called upon to meet the Network Customer's Network Load on a non
 interruptible basis, except for purposes of fulfilling obligations under a

 reserve sharing program; and
- (ix) Any additional information required of the Transmission Customer as specified in Big Rivers' planning process established in Attachment K.

 Unless the Parties agree to a different time frame, Big Rivers must acknowledge the request within ten (10) days of receipt. The acknowledgement must include a date by which a response, including a Service Agreement, will be sent to the Parties agree.

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Customer. If an Application fails to meet the requirements of this section, Big Rivers shall notify the Eligible Customer requesting service within fifteen (15) days of receipt and specify the reasons for such failure. Wherever possible, Big Rivers will attempt to remedy deficiencies in the Application through informal communications with the Eligible Customer. If such efforts are unsuccessful, Big Rivers shall return the Application without prejudice to the Eligible Customer filing a new or revised Application that fully complies with the requirements of this section. The Eligible Customer will be assigned a new priority consistent with the date of the new or revised Application. Big Rivers shall treat this information consistent with the standards of conduct contained in Part 37 of the Federal Energy Regulatory Commission's regulations.

29.3 Technical Arrangements to be Completed Prior to Commencement of Service:

Network Integration Transmission Service shall not commence until Big Rivers and the Network Customer, or a third party, have completed installation of all equipment specified under the Network Operating Agreement consistent with Good Utility Practice and any additional requirements reasonably and consistently imposed to ensure the reliable operation of the Transmission System. Big Rivers shall exercise reasonable efforts, in coordination with the Network Customer, to complete such

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arrangements as soon as practicable taking into consideration the Service Commencement Date.

29.4 Network Customer Facilities:

The provision of Network Integration Transmission Service shall be conditioned upon the Network Customer's constructing, maintaining and operating the facilities on its side of each delivery point or interconnection necessary to reliably deliver capacity and energy from Big Rivers' Transmission System to the Network Customer. The Network Customer shall be solely responsible for constructing or installing all facilities on the Network Customer's side of each such delivery point or interconnection.

29.5 Filing of Service Agreement:

Big Rivers, if required, will file Network Service Agreements with applicable regulatory commissions in compliance with applicable regulations.

30 Network Resources

30.1 Designation of Network Resources:

Network Resources shall include all generation owned, purchased or leased by the Network Customer designated to serve Network Load under the Tariff. Network Resources may not include resources, or any portion thereof, that are committed for sale to non-designated third party load or otherwise cannot be called upper to meet the

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Network Customer's Network Load on a non-interruptible basis, except for purposes of fulfilling obligations under a reserve sharing program. Any owned or purchased resources that were serving the Network Customer's loads under firm agreements entered into on or before the Service Commencement Date shall initially be designated as Network Resources until the Network Customer terminates the designation of such resources.

30.2 Designation of New Network Resources:

The Network Customer may designate a new Network Resource by providing Big Rivers with as much advance notice as practicable. A designation of a new Network Resource must be made through Big Rivers' OASIS by a request for modification of service pursuant to an Application under Section 29. This request must include a statement that the new network resource satisfies the following conditions: (1) the Network Customer owns the resource, has committed to purchase generation pursuant to an executed contract, or has committed to purchase generation where execution of a contract is contingent upon the availability of transmission service under Part III of the Tariff; and (2) The Network Resources do not include any resources, or any portion thereof, that are committed for sale to non-designated third party load or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-

interruptible basis, except for purposes of fulfilling obligations under the serve shaving

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program. The Network Customer's request will be deemed deficient if it does not include this statement and Big Rivers will follow the procedures for a deficient application as described in Section 29.2 of the Tariff.

30.3 Termination of Network Resources:

The Network Customer may terminate the designation of all or part of a generating resource as a Network Resource by providing notification to Big Rivers through OASIS as soon as reasonably practicable, but not later than the firm scheduling deadline for the period of termination. Any request for termination of Network Resource status must be submitted on OASIS, and should indicate whether the request is for indefinite or temporary termination. A request for indefinite termination of Network Resource status must indicate the date and time that the termination is to be effective, and the identification and capacity of the resource(s) or portions thereof to be indefinitely terminated. A request for temporary termination of Network Resource status must include the following:

- (i) Effective date and time of temporary termination;
- (ii) Effective date and time of redesignation, following period of temporary termination;
- (iii) Identification and capacity of resource(s) or portions thereof to be

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 temporarily terminated;
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- (iv) Resource description and attestation for redesignating the network
 resource following the temporary termination, in accordance with Section
 30.2; and
- (v) Identification of any related transmission service requests to be evaluated concomitantly with the request for temporary termination, such that the requests for undesignation and the request for these related transmission service requests must be approved or denied as a single request. The evaluation of these related transmission service requests must take into account the termination of the network resources identified in (iii) above, as well as all competing transmission service requests of higher priority.

As part of a temporary termination, a Network Customer may only redesignate the same resource that was originally designated, or a portion thereof. Requests to redesignate a different resource and/or a resource with increased capacity will be deemed deficient and Big Rivers will follow the procedures for a deficient application as described in Section 29.2 of the Tariff.

30.4 Operation of Network Resources:

The Network Customer shall not operate its designated Network Resources located in the Network Customer's or Big Rivers' Control Area such that the output of those

facilities exceeds its designated Network Load, plus Non-Firm Sales vice ivereduission

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Non-Firm Sales vide is veredius suom
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pursuant to Part II of the Tariff, plus losses, plus power sales under a reserve sharing program, plus sales that permit curtailment without penalty to serve its designated Network Load. This limitation shall not apply to changes in the operation of a Transmission Customer's Network Resources at the request of Big Rivers to respond to an emergency or other unforeseen condition which may impair or degrade the reliability of the Transmission System. For all Network Resources not physically connected with Big Rivers' Transmission System, the Network Customer may not schedule delivery of energy in excess of the Network Resource's capacity, as specified in the Network Customer's Application pursuant to Section 29, unless the Network Customer supports such delivery within Big Rivers' Transmission System by either obtaining Point-to-Point Transmission Service or utilizing secondary service pursuant to Section 28.4. In the event that a Network Customer's (including Big Rivers) schedule at the delivery point for a Network Resource not physically interconnected with Big Rivers' Transmission System exceeds the Network Resource's designated capacity, excluding energy delivered using secondary service or Point-to-Point Transmission Service, the difference between the Network Customer's schedule across the interface between the Transmission System and the transmission system in which the Network Resource resides and the Network Resource's designated capacity shall constitute an unreserved use of transmission service. In such instances of unreserved

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use, the Transmission Customer shall pay a penalty on the excess amount of transmission taken, with a separate penalty charge for each period of unreserved use. The charge for the unreserved use of transmission service shall be equal to 200% of the maximum Firm Point-to-Point Transmission Service rate for the period of unreserved use, subject to the following principles: (1) For single or multiple instances of unreserved use within a single day, the charge shall be 200% of the maximum applicable daily rate for Firm Point-to-Point Transmission Service, based on the hour during the day in which the unreserved use was highest; (2) for instances of unreserved use on two or more separate days within a single week, the charge shall be 200% of the maximum weekly rate for Firm Point-to-Point Transmission Service, based on the hour during the week in which the unreserved use was highest; and (3) for instances of unreserved use on two or more separate days within two or more separate weeks within a calendar month, the charge shall be 200% of the maximum monthly rate for Firm Point-to-Point Transmission Service, based on the hour during the month in which the unreserved use was highest. The 200% of the maximum rate charged for unreserved service shall comprise the charge for the service taken and is not additive. Penalties collected pursuant to this section shall be distributed in the manner specified in Section 15.8.

30.5 Network Customer Redispatch Obligation:

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As a condition to receiving Network Integration Transmission Service, the Network Customer agrees to redispatch its Network Resources as requested by Big Rivers pursuant to Section 33.2. To the extent practical, the redispatch of resources pursuant to this section shall be on a least cost, non-discriminatory basis between all Network Customers, and Big Rivers.

30.6 Transmission Arrangements for Network Resources Not Physically **Interconnected With Big Rivers:**

The Network Customer shall be responsible for any arrangements necessary to deliver capacity and energy from a Network Resource not physically interconnected with Big Rivers' Transmission System. Big Rivers will undertake reasonable efforts to assist the Network Customer in obtaining such arrangements, including without limitation, providing any information or data required by such other entity pursuant to Good Utility Practice.

30.7 Limitation on Designation of Network Resources:

The Network Customer must demonstrate that it owns or has committed to purchase generation pursuant to an executed contract in order to designate a generating resource as a Network Resource. Alternatively, the Network Customer may establish that execution of a contract is contingent upon the availability of transmission service under

Part III of the Tariff.

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30.8 Use of Interface Capacity by the Network Customer:

There is no limitation upon a Network Customer's use of Big Rivers' Transmission System at any particular interface to integrate the Network Customer's Network Resources (or substitute economy purchases) with its Network Loads. However, a Network Customer's use of Big Rivers' total interface capacity with other transmission systems may not exceed the Network Customer's Load.

30.9 Network Customer Owned Transmission Facilities:

The Network Customer that owns existing transmission facilities that are integrated with Big Rivers' Transmission System may be eligible to receive consideration either through a billing credit or some other mechanism. In order to receive such consideration the Network Customer must demonstrate that its transmission facilities are integrated into the plans or operations of Big Rivers, to serve its power and transmission customers. For facilities added by the Network Customer subsequent to the effective date of this Tariff, the Network Customer shall receive credit for such transmission facilities added if such facilities are integrated into the operations of Big Rivers' facilities; provided however, the Network Customer's transmission facilities shall be presumed to be integrated if such transmission facilities, if owned by Big Rivers, would be eligible for inclusion in Big Rivers' annual transmission revenue

requirement as specified in Attachment H. Calculation of his visit of the commission

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subsection shall be addressed in either the Network Customer's Service Agreement or any other agreement between the Parties.

31 Designation of Network Load

31.1 Network Load:

The Network Customer must designate the individual Network Loads on whose behalf Big Rivers will provide Network Integration Transmission Service. The Network Loads shall be specified in the Service Agreement.

31.2 New Network Loads Connected With Big Rivers:

The Network Customer shall provide Big Rivers with as much advance notice as reasonably practicable of the designation of new Network Load that will be added to its Transmission System. A designation of new Network Load must be made through a modification of service pursuant to a new Application. Big Rivers will use due diligence to install any transmission facilities required to interconnect a new Network Load designated by the Network Customer. The costs of new facilities required to interconnect a new Network Load shall be determined in accordance with the procedures provided in Section 32.4 and shall be charged to the Network Customer in accordance with Federal Energy Regulatory Commission policies.

31.3 Network Load Not Physically Interconnected with Big Rivers:

This section applies to both initial designation pursuant to Section Republication **EXECUTIVE DIRECTOR**

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Rivers. To the extent that the Network Customer desires to obtain transmission service for a load outside Big Rivers' Transmission System, the Network Customer shall have the option of (1) electing to include the entire load as Network Load for all purposes under Part III of the Tariff and designating Network Resources in connection with such additional Network Load, or (2) excluding that entire load from its Network Load and purchasing Point-To-Point Transmission Service under Part II of the Tariff. To the extent that the Network Customer gives notice of its intent to add a new Network Load as part of its Network Load pursuant to this section the request must be made through a modification of service pursuant to a new Application.

subsequent addition of new Network Load not physically interconnected with Big

31.4 New Interconnection Points:

To the extent the Network Customer desires to add a new Delivery Point or interconnection point between Big Rivers' Transmission System and a Network Load, the Network Customer shall provide Big Rivers with as much advance notice as reasonably practicable.

31.5 Changes in Service Requests:

Under no circumstances shall the Network Customer's decision to cancel or delay a requested change in Network Integration Transmission Service (e.g. the addition of a

new Network Resource or designation of a new Network Lead) in any way reflected

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Network Customer of its obligation to pay the costs of transmission facilities constructed by Big Rivers and charged to the Network Customer as reflected in the Service Agreement. However, Big Rivers must treat any requested change in Network Integration Transmission Service in a non-discriminatory manner.

31.6 Annual Load and Resource Information Updates:

The Network Customer shall provide Big Rivers with annual updates of Network Load and Network Resource forecasts consistent with those included in its Application for Network Integration Transmission Service under Part III of the Tariff including, but not limited to, any information provided under section 29.2(ix) pursuant to Big Rivers' planning process in Attachment K. The Network Customer also shall provide Big Rivers with timely written notice of material changes in any other information provided in its Application relating to the Network Customer's Network Load, Network Resources, its transmission system or other aspects of its facilities or operations affecting Big Rivers' ability to provide reliable service.

32 Additional Study Procedures For Network Integration Transmission Service Requests

32.1 Notice of Need for System Impact Study:

After receiving a request for service, Big Rivers shall determine on a non-

discriminatory basis whether a System Impact Study is needed. A description of Big.

Rivers' methodology for completing a System Impact Study

ovided in Attachment

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D. If Big Rivers determines that a System Impact Study is necessary to accommodate the requested service, it shall so inform the Eligible Customer, as soon as practicable. In such cases, Big Rivers shall within thirty (30) days of receipt of a Completed Application, tender a System Impact Study Agreement pursuant to which the Eligible Customer shall agree to reimburse Big Rivers for performing the required System Impact Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the System Impact Study Agreement and return it to Big Rivers within fifteen (15) days. If the Eligible Customer elects not to execute the System Impact Study Agreement, its Application shall be deemed withdrawn and its deposit shall be returned with interest.

32.2 System Impact Study Agreement and Cost Reimbursement:

(i) The System Impact Study Agreement will clearly specify Big Rivers' estimate of the actual cost, and time for completion of the System Impact Study. The charge shall not exceed the actual cost of the study. In performing the System Impact Study, Big Rivers shall rely, to the extent reasonably practicable, on existing transmission planning studies. The Eligible Customer will not be assessed a charge for such existing studies; however, the Eligible Customer will be responsible for charges associated

with any modifications to existing planning studies that are reasonably N

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- necessary to evaluate the impact of the Eligible Customer's request for service on the Transmission System.
- (ii) If in response to multiple Eligible Customers requesting service in relation to the same competitive solicitation, a single System Impact Study is sufficient for Big Rivers to accommodate the service requests, the costs of that study shall be pro-rated among the Eligible Customers.
- (iii) For System Impact Studies that Big Rivers conducts on its own behalf. Big Rivers shall record the cost of the System Impact Studies pursuant to Section 8.

32.3 System Impact Study Procedures:

Upon receipt of an executed System Impact Study Agreement, Big Rivers will use due diligence to complete the required System Impact Study within a sixty (60) day period. The System Impact Study shall (1) identify any system constraints, identified with specificity by transmission element or flowgate, (2) redispatch options (when requested by an Eligible Customer) including, to the extent possible, an estimate of the cost of redispatch, (3) available options for installation of automatic devices to curtail service (when requested by an Eligible Customer), and (4) additional Direct Assignment Facilities or Network Upgrades required to provide the requested service.

For customers requesting the study of redispatch options, the System Limpach Study ION

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shall (1) identify all resources located within Big Rivers' Control Area that can significantly contribute toward relieving the system constraint and (2) provide a measurement of each resource's impact on the system constraint. If Big Rivers possesses information indicating that any resource outside its Control Area could relieve the constraint, it shall identify each such resource in the System Impact Study. In the event that Big Rivers is unable to complete the required System Impact Study within such time period, it shall so notify the Eligible Customer and provide an estimated completion date along with an explanation of the reasons why additional time is required to complete the required studies. A copy of the completed System Impact Study and related work papers shall be made available to the Eligible Customer as soon as the System Impact Study is complete. Big Rivers will use the same due diligence in completing the System Impact Study for an Eligible Customer as it uses when completing studies for itself. Big Rivers shall notify the Eligible Customer immediately upon completion of the System Impact Study if the Transmission System will be adequate to accommodate all or part of a request for service or that no costs are likely to be incurred for new transmission facilities or upgrades. In order for a request to remain a Completed Application, within fifteen (15) days of completion of the System Impact Study the Eligible Customer must execute a Service Agreement or request the filing of an unexecuted Service Agreement, or the Application shall be

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deemed terminated and withdrawn.

32.4 Facilities Study Procedures:

If a System Impact Study indicates that additions or upgrades to the Transmission System are needed to supply the Eligible Customer's service request, Big Rivers, within thirty (30) days of the completion of the System Impact Study, shall tender to the Eligible Customer a Facilities Study Agreement pursuant to which the Eligible Customer shall agree to reimburse Big Rivers for performing the required Facilities Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the Facilities Study Agreement and return it to Big Rivers within fifteen (15) days. If the Eligible Customer elects not to execute the Facilities Study Agreement, its Application shall be deemed withdrawn and its deposit shall be returned with interest (calculated using the one-year United States Treasury Bill rates effective as of the first business day of each applicable calendar month). Upon receipt of an executed Facilities Study Agreement, Big Rivers will use due diligence to complete the required Facilities Study within a sixty (60) day period. If Big Rivers is unable to complete the Facilities Study in the allotted time period, Big Rivers shall notify the Eligible Customer and provide an estimate of the time needed to reach a final determination along with an explanation of the reasons that additional time is

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required to complete the study. When completed, the Fapilities Strayori complete on

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good faith estimate of (i) the cost of Direct Assignment Facilities to be charged to the Eligible Customer, (ii) the Eligible Customer's appropriate share of the cost of any required Network Upgrades, and (iii) the time required to complete such construction and initiate the requested service. The Eligible Customer shall provide Big Rivers with a letter of credit or other reasonable form of security acceptable to Big Rivers equivalent to the costs of new facilities or upgrades consistent with commercial practices as established by the Uniform Commercial Code. The Eligible Customer shall have thirty (30) days to execute a Service Agreement or request the filing of an unexecuted Service Agreement and provide the required letter of credit or other form of security or the request no longer will be a Completed Application and shall be deemed terminated and withdrawn.

33 Load Shedding and Curtailments

33.1 Procedures:

Prior to the Service Commencement Date, Big Rivers and the Network Customer shall establish Load Shedding and Curtailment procedures pursuant to the Network Operating Agreement with the objective of responding to contingencies on the Transmission System and on systems directly and indirectly interconnected with Transmission Provider's Transmission System. The Parties will implement such programs during any period when Big Rivers determines that a system contingency

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exists and such procedures are necessary to alleviate such contingency. Big Rivers will notify all affected Network Customers in a timely manner of any scheduled Curtailment.

33.2 Transmission Constraints:

During any period when Big Rivers determines that a transmission constraint exists on the Transmission System, and such constraint may impair the reliability of Big Rivers' system, Big Rivers will take whatever actions, consistent with Good Utility Practice, that are reasonably necessary to maintain the reliability of Big Rivers' system. To the extent Big Rivers determines that the reliability of the Transmission System can be maintained by redispatching resources, Big Rivers will initiate procedures pursuant to the Network Operating Agreement to redispatch all Network Resources and Big Rivers' own resources on a least-cost basis without regard to the ownership of such resources. Any redispatch under this section may not unduly discriminate between Big Rivers' use of the Transmission System on behalf of its Native Load Customers and any Network Customer's use of the Transmission System to serve its designated Network Load.

33.3 Cost Responsibility for Relieving Transmission Constraints:

Whenever Big Rivers implements least-cost redispatch procedures in response to a

transmission constraint, Big Rivers and Network Customers Will Sea Will Sea Commission

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proportionate share of the total redispatch cost based on their respective Load Ratio Shares.

33.4 Curtailments of Scheduled Deliveries:

If a transmission constraint on Big Rivers' Transmission System cannot be relieved through the implementation of least-cost redispatch procedures and Big Rivers determines that it is necessary to Curtail scheduled deliveries, the Parties shall Curtail such schedules in accordance with the Network Operating Agreement or pursuant to the Transmission Loading Relief procedures specified in Attachment J.

33.5 Allocation of Curtailments:

Big Rivers shall, on a non-discriminatory basis, Curtail the transaction(s) that effectively relieve the constraint. However, to the extent practicable and consistent with Good Utility Practice, any Curtailment will be shared by Big Rivers and Network Customer in proportion to their respective Load Ratio Shares. Big Rivers shall not direct the Network Customer to Curtail schedules to an extent greater than Big Rivers would Curtail Big Rivers' schedules under similar circumstances.

33.6 Load Shedding:

To the extent that a system contingency exists on Big Rivers' Transmission System and Big Rivers determines that it is necessary for Pig Rivers and the Network

Customer to shed load, the Parties shall shed load in accordange with previously

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established procedures under the Network Operating Agreement.

33.7 System Reliability:

Notwithstanding any other provisions of this Tariff, Big Rivers reserves the right, consistent with Good Utility Practice and on a not unduly discriminatory basis, to Curtail Network Integration Transmission Service without liability on Big Rivers' part for the purpose of making necessary adjustments to, changes in, or repairs on its lines, substations and facilities, and in cases where the continuance of Network Integration Transmission Service would endanger persons or property. In the event of any adverse condition(s) or disturbance(s) on Big Rivers' Transmission System or on any other system(s) directly or indirectly interconnected with Big Rivers' Transmission System, Big Rivers, consistent with Good Utility Practice, also may Curtail Network Integration Transmission Service in order to (i) limit the extent or damage of the adverse condition(s) or disturbance(s), (ii) prevent damage to generating or transmission facilities, or (iii) expedite restoration of service. Big Rivers will give the Network Customer as much advance notice as is practicable in the event of such Curtailment. Any Curtailment of Network Integration Transmission Service will not be unduly discriminatory relative to Big Rivers' use of the Transmission System on behalf of its Native Load Customers. Big Rivers shall specify the rate treatment and all related terms and conditions applicable in the event that the Network Customes fails

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to respond to established Load Shedding and Curtailment procedures.

34 Rates and Charges

The Network Customer shall pay Big Rivers for any Direct Assignment Facilities, Ancillary Services, and applicable study costs along with the following:

34.1 Monthly Demand Charge:

The Network Customer shall pay a monthly Demand Charge, which shall be determined by multiplying its Load Ratio Share times one twelfth (1/12) of the Transmission Provider's Annual Transmission Revenue Requirement specified in Schedule H.

34.2 Determination of Network Customer's Monthly Network Load:

The Network Customer's monthly Network Load is its hourly load (including its designated Network Load not physically interconnected with Big Rivers under Section 31.3) coincident with Big Rivers' Monthly Transmission System Peak.

34.3 Determination of Transmission Provider's Monthly Transmission System Load:

Big Rivers' monthly Transmission System load is Big Rivers' Monthly Transmission System Peak minus the coincident peak usage of all Firm Point-To-Point Transmission Service customers pursuant to Part II of this Tariff plus the Reserved Capacity of all

Firm Point-To-Point Transmission Service customers.

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34.4 Redispatch Charge:

The Network Customer shall pay a Load Ratio Share of any redispatch costs allocated between the Network Customer and Big Rivers pursuant to Section 33. To the extent that Big Rivers incurs an obligation to the Network Customer for redispatch costs in accordance with Section 33, such amounts shall be credited against the Network Customer's bill for the applicable month.

34.5 Stranded Cost Recovery:

Big Rivers may seek to recover stranded costs from the Network Customer pursuant to this Tariff in accordance with the terms, conditions and procedures set forth in FERC Order No. 888.

35 Operating Arrangements

35.1 Operation under The Network Operating Agreement:

The Network Customer shall plan, construct, operate and maintain its facilities in accordance with Good Utility Practice and in conformance with the Network Operating Agreement.

35.2 Network Operating Agreement:

The terms and conditions under which the Network Customer shall operate its facilities and the technical and operational matters associated with the implementation of Part III

of the Tariff shall be specified in the Network Operating Agreement of the Tariff shall be specified in the Network Operating Agreement of the Network Operating Opera

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Operating Agreement shall provide for the Parties to (i) operate and maintain equipment necessary for integrating the Network Customer within Big Rivers' Transmission System (including, but not limited to, remote terminal units, metering, communications equipment and relaying equipment), (ii) transfer data between Big Rivers and the Network Customer (including, but not limited to, heat rates and operational characteristics of Network Resources, generation schedules for units outside Big Rivers' Transmission System, interchange schedules, unit outputs for redispatch required under Section 33, voltage schedules, loss factors and other real time data), (iii) use software programs required for data links and constraint dispatching, (iv) exchange data on forecasted loads and resources necessary for longterm planning, and (v) address any other technical and operational considerations required for implementation of Part III of the Tariff, including scheduling protocols. The Network Operating Agreement will recognize that the Network Customer shall either (i) operate as a Control Area under applicable guidelines of the Electric Reliability Organization (ERO) as defined in 18 C.F.R. § 39.1, (ii) satisfy its Control Area requirements, including all necessary Ancillary Services, by contracting with Big Rivers, or (iii) satisfy its Control Area requirements, including all necessary Ancillary Services, by contracting with another entity, consistent with Good Utility Practice, which satisfies the applicable reliability guidelines of the ERO. HERO, shall not

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unreasonably refuse to accept contractual arrangements with another entity for Ancillary Services. The Network Operating Agreement is included in Attachment G.

35.3 Network Operating Committee:

A Network Operating Committee (Committee) shall be established to coordinate operating criteria for the Parties' respective responsibilities under the Network Operating Agreement. Each Network Customer shall be entitled to have at least one representative on the Committee. The Committee shall meet from time to time as need requires, but no less than once each calendar year.

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Scheduling, System Control and Dispatch Service

This service is required to schedule the movement of power through, out of, within, or into Big Rivers' Control Area. This service can be provided only by the operator of the Control Area in which the transmission facilities used for transmission service are located. Scheduling, System Control and Dispatch Service is to be provided directly by Big Rivers. The Transmission Customer must purchase this service from Big Rivers. The charges for Scheduling, System Control and Dispatch Service are to be based on the rates set forth below:

\$0.8275/kW per year

\$0.0690/kW per month

\$0.0159/kW per week

\$0.0032/kW per day

\$0.1989 per MWh.

For firm point-to-point and non-firm point-to-point transmission service, the applicable rate shall be multiplied by the Transmission Customer's Reserved Capacity. For network integration transmission service, the rate per kW per month shall be multiplied by the Transmission Customer's monthly Network Load.

Dynamic Scheduling Service also will be provided by Big Rivers to the Transmission

Customer as part of this service upon request at costs to be determined. Dynamic Scheduling

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Service involves the arrangement for moving the electrical effects of load or generation located within one Control Area (or other larger area of coordinated dispatch operation) such that the electrical effect of the load or generation is recognized in the real-time control and dispatch of another Control Area. Under Dynamic Scheduling Service, Big Rivers agrees to assign certain customer load or generation to another Control Area, and to send the associated control signals to the respective control center of that Control Area. Dynamic Scheduling is implemented through the use of specific telemetry and control equipment, which a Transmission Customer requesting Dynamic Scheduling Service is required to provide and install at its own cost. The provisions under which Big Rivers will provide Dynamic Scheduling Service are set forth below:

- (1) The Transmission Customer may designate any amount of firm Point-to-Point Transmission Service as Dynamic Scheduling Service.
- (2)Designation of any amount of Firm Transmission Service as Dynamic Scheduling Service shall not relieve the Transmission Customer from paying Big Rivers the transmission charges for the total amount of reserved transmission capacity.
- The amount of Firm Transmission Service not designated as Dynamic Scheduling (3)Service shall be scheduled pursuant to the terms and conditions of this Tariff.
- The amount of Firm Transmission Service designated as Dynamic Scheduling (4) Service need not be scheduled, and no scheduling charge will be levied by Big Rivers.

In addition, assignment to Third-Parties and use of Secondary Point(s) of Receiptual Delivery

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shall not be allowed for Firm Transmission Service designated as Dynamic Scheduling Service.

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Reactive Supply and Voltage Control from Generation or Other Sources Service

In order to maintain transmission voltages on Big Rivers' transmission facilities within acceptable limits, generating facilities and non-generation resources capable of providing this service that are under the control of the control area operator are operated to produce (or absorb) reactive power as required by Big Rivers' transmission facilities. All Transmission Customers taking service from Big Rivers under this Tariff must obtain Reactive Supply and Voltage Control from Generation or Other Sources Service from Big Rivers for each transaction on Big Rivers' transmission facilities. The amount of Reactive Supply and Voltage Control from Generation or Other Sources Service that must be supplied with respect to the Transmission Customer's transaction will be determined based on the reactive power support necessary to maintain transmission voltages within limits that are generally accepted in the region and consistently adhered to by Big Rivers.

Reactive Supply and Voltage Control from Generation or Other Sources Service is to be provided by Big Rivers. The Transmission Customer must purchase this service from Big Rivers. The charges for such service will be based on the rates set forth below:

\$ 1.6924/kW per year

\$0.1410/kW per month

\$0.0325/kW per week

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\$0.0065/kW per day

\$0.4068 per MWh.

For firm point-to-point and non-firm point-to-point transmission service, the applicable rate shall be multiplied by the Transmission Customer's Reserved Capacity. For network integration transmission service, the rate per kW per month shall be multiplied by the Transmission Customer's monthly Network Load.

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Regulation and Frequency Response Service

Regulation and Frequency Response Service is necessary to provide for the continuous balancing of resources (generation and interchange) with load within Big Rivers' Control Area and for maintaining scheduled Interconnection frequency at sixty cycles per second (60 Hz). Regulation and Frequency Response Service is accomplished by committing on-line generation in Big Rivers' Control Area, the output of which is raised or lowered (predominantly through the use of automatic generating control equipment) and by other non-generation resources capable of providing this service as necessary to follow the moment-by-moment changes in load. The obligation to maintain this balance between resources and load lies with Big Rivers. Big Rivers must offer this service when the transmission service is used to serve load within its Control Area. The Transmission Customer must either purchase this service from Big Rivers, or make alternative comparable arrangements to satisfy its Regulation and Frequency Response Service obligation. The amount of and charges for Regulation and Frequency Response Service are set forth below:

\$1.4938/kW per year

\$0.1245/kW per month

\$0.0287/kW per week

\$0.0057/kW per day

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\$0.3591 per MWh.

For firm point-to-point and non-firm point-to-point transmission service, the applicable rate shall be multiplied by the Transmission Customer's Reserved Capacity. For network integration transmission service, the rate per kW per month shall be multiplied by the Transmission Customer's monthly Network Load.

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Energy Imbalance Service

Energy Imbalance Service is provided when a difference occurs between the scheduled and the actual delivery of energy to a load located within a Control Area over a single hour. Big Rivers must offer this service when a Transmission Customer's requested transmission service is used to serve load within Big Rivers' Control Area. The Transmission Customer must either purchase this service from Big Rivers or make alternative comparable arrangements, which may include use of non-generation resources capable of providing this service, to satisfy its Energy Imbalance Service obligation. To the extent the Control Area operator performs this service for Big Rivers, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to Big Rivers by that Control Area operator. Big Rivers may charge a Transmission Customer a penalty for either hourly energy imbalances under this Schedule or a penalty for hourly generator imbalances under Schedule 9 for imbalances occuring during the same hour, but not both, unless the imbalances aggravate rather than offset each other.

Big Rivers shall establish charges for energy imbalance based on the deviation bands as follows: (i) deviations within +/- 1.5 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the

Transmission Customer's scheduled transaction(s) will be netted on a monthly basis and settled

financially, at the end of the month, at 100 percent of incremental or decremental cost

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the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of

the Transmission Customer's scheduled transaction(s), will be settled financially, at the end of

each month, at 110 percent of incremental cost or 90 percent of decremental cost, and (iii)

deviations greater than +/- 7.5 percent (or 10 MW) of the scheduled transaction to be applied

hourly to any energy imbalance that occurs as a result of the Transmission Customer's scheduled

transaction(s), will be settled financially, at the end of each month, at 125 percent of incremental

cost or 75 percent of decremental cost.

For purposes of this Schedule, decremental cost shall represent Big Rivers' actual average hourly cost of the last 10 MW dispatched for any purpose, e.g., to supply Big Rivers' Native Load Customers, correct imbalances, or make off-system sales, based on the replacement cost of fuel, unit heat rates, start-up costs (including any commitment and redispatch costs), incremental operation and maintenance costs, and purchase and interchange power costs and taxes, as

In the event that Big Rivers assesses penalties for imbalances pursuant to this Schedule 4, Big Rivers shall distribute the penalty revenues in excess of Big Rivers' incremental cost of providing imbalance service for each hour to those Transmission Customers (including Big Rivers for Third-Party Sales and Native Load Customers) under this Tariff that reserved transmission

service during the hour in which the imbalance occured and did not incur in the hour in which the imbalance occured and did not incur in the hour in which the imbalance occured and did not incur in the hour in which the imbalance occured and did not incur in the hour in which the imbalance occured and did not incur in the hour in which the imbalance occured and did not incur in the hour in which the imbalance occured and did not incur in the hour in which the imbalance occured and did not incur in the hour in which the imbalance occured and did not incur in the hour in which the imbalance occured and did not incur in the hour in the h

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(under either this Schedule 4 or Schedule 9) in that hour. In the event that a division or organization within Big Rivers incurs imbalance penalties, Big Rivers shall be disqualified from receiving a distribution of imbalance penalties in that hour, but nonetheless shall retain its incremental cost of providing imbalance energy.

Imbalance penalty revenues shall be calculated on an hourly basis and distributed on a monthly basis, based upon the ratio of the monthly transmission service revenues from each Transmission Customer that did not incur imbalance penalties in that hour to the aggregate monthly transmission service revenues from all such Transmission Customers that did not incur imbalance penalties in that hour. For purposes of distributing imbalance penalty revenues, each Transmission Customer's transmission service taken shall be based upon its bill(s) during the service month in which the imbalance penalties are being distributed, without regard to any recalculation as the result of a billing dispute or error correction. If there are no customers that do no incur imbalance penalties in a given hour, any revenues in excess of Big Rivers' incremental cost of providing that imbalance service shall be distributed and allocated to Transmission Customers that do not incur an imbalance penalty in the first hour after imbalance penalties are incurred and at least on Transmission Customer does not incurr an imbalance penalty, using the calculation outlined in the preceding two sentences for the hour in which at least one Transmission Customer does not incur an imbalance penalty. If a penalty distribution is carried

forward into an hour within a month following the month in which the hourly impalance actually PUBLIC SERVICE COMMISSION

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occurred, interest shall be calculated using the one-year United States Treasury Bill rate effective as of the first business day of the calendar month. Distribution shall be accomplished via a credit to the Transmission Customer's bill(s) for the applicable billing month or by a separate cash payment to the Transmission Customer during the applicable billing month, except that the Transmission Provider shall retain amounts allocated to itself for Third-Party Sales.

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Operating Reserve - Spinning Reserve Service

Spinning Reserve Service is needed to serve load immediately in the event of a system contingency. Spinning Reserve Service may be provided by generating units that are on-line and loaded at less than maximum output and by non-generation resources capable of providing this service. Big Rivers must offer this service when the transmission service is used to serve load within its Control Area. The Transmission Customer must either purchase this service from Big Rivers or make alternative comparable arrangements to satisfy its Spinning Reserve Service obligation. The amount of and charges for Spinning Reserve Service are set forth below:

\$0.7668 per kW per year

\$0.0639/kW per month

\$0.0147/kW per week

\$0.0029/kW per day

\$0.1843 per MWh.

For firm point-to-point and non-firm point-to-point transmission service, the applicable rate shall be multiplied by the Transmission Customer's Reserved Capacity. For network integration transmission service, the rate per kW per month shall be multiplied by the Transmission Customer's monthly Network Load.

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Operating Reserve - Supplemental Reserve Service

Supplemental Reserve Service is needed to serve load in the event of a system contingency; however, it is not available immediately to serve load but rather within a short period of time. Supplemental Reserve Service may be provided by generating units that are online but unloaded, by quick-start generation or by interruptible load or other non-generation resources capable of providing this service. Big Rivers must offer this service when the transmission service is used to serve load within its Control Area. The Transmission Customer must either purchase this service from Big Rivers or make alternative comparable arrangements to satisfy its Supplemental Reserve Service obligation. The amount of and charges for Supplemental Reserve Service are set forth below:

\$0.9372/kW per year

\$0.0781/kW per month

\$0.0180/kW per week

\$0.0036/kW per day

\$0.2253 per MWh.

For firm point-to-point and non-firm point-to-point transmission service, the applicable rate shall be multiplied by the Transmission Customer's Reserved Capacity. For network integration transmission service, the rate per kW per month shall be multiplication.

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PURSUANT TO 807

Big Rivers Electric Corporation First Revised and Restated Open Access Transmission Tariff Original Sheet No. 138

Transmission Customer's monthly Network Load.

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Long-Term Firm and Short-Term Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate Big Rivers each month for Reserved Capacity at the sum of the applicable charges set forth below:

- 1) Yearly delivery: one-twelfth of the demand charge of \$\frac{11.985}{KW}\$ of Reserved Capacity per year.
- 2) Monthly delivery: \$\, 0.999/KW of Reserved Capacity per month.
- 3) Weekly delivery: \$\,\textit{0.230}\/KW of Reserved Capacity per week.}
- 4) **Daily delivery**: \$\(\frac{0.046}{}\)/KW of Reserved Capacity per day.

The total demand charge in any week, pursuant to a reservation for Daily delivery, shall not exceed the rate specified in section (3) above times the highest amount in kilowatts of Reserved Capacity in any day during such week.

5) **Discounts**: Three principal requirements apply to discounts for transmission service as follows (1) any offer of a discount made by Big Rivers must be announced to all Eligible Customers solely by posting on the OASIS, (2) any customer-initiated requests for discounts (including requests for use by one's wholesale merchant or an

Affiliate's use) must occur solely by posting on the OASIS, and (3) once a discount

is negotiated, details must be immediately posted on the CASTER TOF ANY MISSION

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Big Rivers Electric Corporation First Revised and Restated Open Access Transmission Tariff

> agreed upon for service on a path, from point(s) of receipt to point(s) of delivery, Big Rivers must offer the same discounted transmission service rate for the same time period to all Eligible Customers on all unconstrained transmission paths that go

6) Resales: The rates and rules governing charges and discounts stated above shall not apply to resales of transmission service, compensation for which shall be governed by section 23.1 of the Tariff.

to the same point(s) of delivery on the Transmission System.

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Non-Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate Big Rivers for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges set forth below:

- 1) Monthly delivery: \$0.999/KW of Reserved Capacity per month.
- 2) Weekly delivery: \$\(\text{0.230}\)/KW of Reserved Capacity per week.
- 3) Daily delivery: \$\(\) 0.046/KW of Reserved Capacity per day.

 The total demand charge in any week, pursuant to a reservation for Daily delivery, shall not exceed the rate specified in section (2) above times the highest amount in kilowatts of Reserved Capacity in any day during such week.
- Hourly delivery: The basic charge shall be that agreed upon by the Parties at the time this service is reserved and in no event shall exceed \$ 2.881/MWH. The total demand charge in any day, pursuant to a reservation for Hourly delivery, shall not exceed the rate specified in section (3) above times the highest amount in kilowatts of Reserved Capacity in any hour during such day. In addition, the total demand charge in any week, pursuant to a reservation for Hourly or Daily delivery, shall not exceed the rate specified in section (2) above times the highest amount in kilowatts of Reserved Capacity in any hour during such

week.

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- 5) **Discounts**: Three principal requirements apply to discounts for transmission service as follows (1) any offer of a discount made by Big Rivers must be announced to all Eligible Customers solely by posting on the OASIS, (2) any customer-initiated requests for discounts (including requests for use by one's wholesale merchant or an Affiliate's use) must occur solely by posting on the OASIS, and (3) once a discount is negotiated, details must be immediately posted on the OASIS. For any discount agreed upon for service on a path, from point(s) of receipt to point(s) of delivery, Big Rivers must offer the same discounted transmission service rate for the same time period to all Eligible Customers on all unconstrained transmission paths that go to the same point(s) of delivery on the Transmission System.
- 6) **Resales:** The rates and rules governing charges and discounts stated above shall not apply to resales of transmission service, compensation for which shall be governed by section 23.1 of the Tariff.

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Generator Imbalance Service

Generator Imbalance Service is provided when a difference occurs between the output of a generator located in Big Rivers' Control Area and a delivery schedule from that generator to (1) another Control Area or (2) a load within Big Rivers' Control Area over a single hour. Big Rivers must offer this service, to the extent it is physically feasible to do so from its resources or from resources available to it, when Transmission Service is used to deliver energy from a generator located within its Control Area. The Transmission Customer must either purchase this service from Big Rivers or make alternative comparable arrangements, which may include use of nongeneration resources capable of providing this service, to satisfy its Generator Imbalance Service obligation. Big Rivers may charge a Transmission Customer a penalty for either hourly generator imbalances under this Schedule or a penalty for hourly energy imbalances under Schedule 4 for imbalances occurring during the same hour, but not both unless the imbalances aggravate rather than offset each other.

Charges for generator imbalance shall be based on the deviation bands as follows: (i) deviations within +/- 1.5 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be netted on a monthly basis and settled financially, at the end of each month, at 100 percent of incremental or decremental cost, (ii) deviations greater than

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percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be settled financially, at the end of each month, at 110 percent of incremental cost or 90 percent of decremental cost, and (iii) deviations greater than +/- 7.5 percent (or 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be settled at 125 percent of incremental cost or 75 percent of decremental cost, except that an intermittent resource will be exempt from this deviation band and will pay the deviation band charges for all deviations greater than the larger of 1.5 percent or 2 MW. An intermittent resource, for the limited purpose of this Schedule is an electric generator that is not dispatchable and cannot store its fuel source and therefore cannot respond to changes in system demand or respond to transmission security constraints.

Notwithstanding the foregoing, deviations from scheduled transactions in order to respond to directives by Big Rivers, a balancing authority, or a reliability coordinator shall not be subject to the deviation bands identified above and, instead, shall be settled financially, at the end of the month, at 100 percent incremental and decremental cost. Such directives may include instructions to correct frequency decay, respond to a reserve sharing event, or change output to relieve congestion.

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For purposes of this Schedule, decremental cost shall represent Big Rivers' actual average hourly cost of the last 10 MW dispatched for any purpose, e.g., to supply Big Rivers' Native Load Customers, correct imbalances, or make off-system sales, based on the replacement cost of fuel, unit heat rates, start-up costs (including any commitment and redispatch costs), incremental operation and maintenance costs, and purchased and interchange power costs and taxes as applicable.

In the event that Big Rivers assesses penalties for imbalances pursuant to this Schedule 9, Big Rivers shall distribute the penalty revenues in excess of Big Rivers' incremental cost of providing imbalance service to those Transmission Customers (including Big Rivers for Third-Party Sales and Native Load Customers) under this Tariff that reserved transmission service during that hourand did not themselves incur imbalance penalties (under the deviation bands (ii) or (iii) for either this Schedule 4 or Schedule 9) in the hour in which the imbalances occurred. In the event that a division or organization within Big Rivers incurs imbalance penalties, Big Rivers shall be disqualified from receiving a distribution of imbalance penalties during that hour, but nonetheless shall retain its incremental cost of providing imbalance energy.

Imbalance penalty revenues shall be calculated and distributed on a monthly basis, based upon the ration of the monthly transmission service revenues from each Transmission Customer that did not incur imbalance penalties in that hour to the aggregate monthly transmission service revenues from all such Transmission Customers that did not incur imbalance penalties in that

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hour. For purposes of distributing imbalance penalty revenues, each Transmission Customer's transmission service revenues shall be based upon its bill(s) during the service month in which the imbalance penalties are being distributed, without regard to any recalculation as the result of a billing dispute or error correction. If there are no customers that do no incur imbalance penalties in a given hour, any revenues in excess of Big Rivers' incremental cost of providing that imbalance service shall be distributed and allocated to Transmission Customers that do not incur imbalance penalties in the first hour after the imbalance penalties are incurred and at least one Transmission Customer does not incur an imbalance penalty, using the calculation outlined in the preceding two sentences for the hour in which at least one Transmission Customer does not incur an imbalance penalty. If a penalty distribution is carried forward into an hour within a month following the month in which the hourly imbalance actually occurred, interest shall be calculated using the one-year United States Treasury Bill rate effective as of the first day of the calendar month. Distribution shall be accomplished via a credit to the Transmission Customer's bill(s) for the applicable billing month or by a separate cash payment to the Transmission Customer during the applicable billing month, except that the Transmission Provider shall retain amounts allocated to itself for Third-Party Sales.

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SCHEDULE 10

Real Power Loss Factor Calculation

Real Power Losses are associated with all Transmission Service and must be provided by all Transmission Customers taking service under this Tariff. In January of every year, the average loss rate for the previous calendar year shall be calculated in the following manner:

	Annual power losses	
Average loss rate =		
	Big Rivers' deliveries of energy	

with

Annual power losses = [Big Rivers' receipt of energy – Big Rivers' deliveries of energy].

Big Rivers' receipts of energy shall be determined as the sum of: (i) energy from generation in Big Rivers' control area (excluding all generating station use); (ii) imports of energy for delivery within Big Rivers' control area (determined at Big Rivers' receipt points, including dynamically scheduled loads); (iii) receipts of energy for wheeling

through transmission by others; and (iv) net inadvertent power exchanges the control

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areas (i.e., inadvertent receipts minus inadvertent deliveries).

Big Rivers' deliveries of energy shall be determined as the sum of: (i) all deliveries of energy to destinations located within Big Rivers' control area (including deliveries to Henderson Municipal Power & Light); (ii) exports of energy from Big Rivers' control are (measured at Big Rivers' delivery points, including dynamically scheduled exports); and (iii) deliveries of energy for wheeling through transmission by others.

The three year average of the most currently calculated annual loss rate and the annual loss rate calculated for each of the previous two years shall become the effective annual loss rate as of February 1 in each year.

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Issued on: February 4, 2011 Effective Date: March 7, 2011

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ATTACHMENT A

Form Of Service Agreement For Firm Point-To-Point Transmission Service

1.0	This Service Agreement, dated as of	, is entered into, by and between
	Big Rivers Electric Corporation ("Big Rivers"), and	("Transmission
	Customer").	

- 2.0 The Transmission Customer has been determined by Big Rivers to have a Completed Application for Firm Point-To-Point Transmission Service under the Tariff.
- 3.0 The Transmission Customer has provided to Big Rivers an Application deposit in accordance with the provisions of Section 17.3 of the Tariff.
- 4.0 Service under this agreement shall commence on the later of (l) the requested service commencement date, or (2) the date on which construction of any Direct Assignment Facilities and/or Network Upgrades are completed, or (3) such other date as it is permitted to become effective by the Kentucky Public Service Commission, to the extent applicable. Service under this agreement shall terminate on such date as mutually agreed upon by the parties.
- 5.0 Big Rivers agrees to provide and the Transmission Customer agrees to take and pay for Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.
- Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

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Big Rivers Electric Corporation 201 Third Street, P.O. Box 24 Henderson, Kentucky 42420 Telephone No. (270) 827-2561 Vice President System Operations

-	President System Operation	as		
Trans	smission Customer:			
7.0	The Tariff is incorporated	herein and made a part	hereof.	
	WITNESS WHEREOF, the Prespective authorized offici		Service Agreement to be executed by	
Big I	Rivers:			
By:				
Dy.	Name	Title	Date	
Tran	smission Customer:			
By:				
J	Name	Title	Date	
			KENTUCKY PUBLIC SERVICE COMMISSION	
			JEFF R. DEROUEN EXECUTIVE DIRECTOR	
			TARIFF BRANCH	

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Specifications For Long-Term Firm Point-To-Point Transmission Service

1.0	Term of Transaction:
	Start Date:
	Termination Date:
2.0	Description of capacity and energy to be transmitted by Big Rivers including the electric Control Area in which the transaction originates.
3.0	Point(s) of Receipt:
	Delivering Party:
4.0	Point(s) of Delivery:
	Receiving Party:
5.0	Maximum amount of capacity and energy to be transmitted (Reserved Capacity):
6.0	Designation of party(ies) subject to reciprocal service obligation:
- ^	
7.0	Name(s) of any Intervening Systems providing transmission Service: PUBLIC SERVICE COMMISSION
	JEFF R. DEROUEN EXECUTIVE DIRECTOR
Issued	by: Mark A. Bailey, President and CEO, 201 Third Street, Henderson, KY 42420 on: February 4, 2011 ive Date: March 7, 2011 EFFECTIVE 3/7/2011 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Page 4 of 4

8.0	below	ce under this Agreement may be subject to some combination of the charges detailed v. (The appropriate charges for individual transactions will be determined in dance with the terms and conditions of the Tariff.)
	8.1	Transmission Charge:
	8.2	System Impact and/or Facilities Study Charge(s):
	8.3	Direct Assignment Facilities Charge:
	8.4	Ancillary Services Charges:

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ATTACHMENT A-1

Form Of Service Agreement For The Resale, Reassignment Or Transfer Of Point-To-Point Transmission Service

1.0	This Service Agreement, dated as of	_, is entered into, by and between
	Big Rivers Electric Corporation ("Big Rivers"), and	(the Assignee).
2.0	The Assignee has been determined by Big Rivers to be	an Fligible Customer under the
۷.0	The Assignee has been determined by big Rivers to be	an Englose Customer under the

Tariff pursuant to which the transmission service rights to be transferred were originally

- 3.0 The terms and conditions for the transaction entered into under this Service Agreement shall be subject to the terms and conditions of Part II of the Big Rivers Tariff, except for those terms and conditions negotiated by the Reseller of the reassigned transmission
- capacity (pursuant to Section 23.1 of this Tariff) and the Assignee to include: contract effective and termination dates, the amount of reassigned capacity or energy, point(s) of receipt and delivery. Changes by the Assignee to the Reseller's Points of Receipt and Points of Delivery will be subject to the provisions of Section 23.2 of this Tariff.
- 4.0 Big Rivers shall credit the Reseller for the price reflected in the Assignee's Service Agreement or the associated OASIS schedule.
- 5.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

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Page 2 of 4

Big Rivers Electric Corporation 201 Third Street, P.O. Box 24 Henderson, Kentucky 42420 Telephone No. (270) 827-2561 Vice President System Operations	3	
Assignee:		
·		
	-	
6.0 The Tariff is incorporated l	herein and made a par	rt hereof.
IN WITNESS WHEREOF, the Patheir respective authorized official		s Service Agreement to be executed by
Big Rivers Electric Corporation:		
Ву:		
Name	Title	Date
Assignee:		
By:		
Name	Title	Date
		KENTUCKY
		PUBLIC SERVICE COMMISSION JEFF R. DEROUEN
		EXECUTIVE DIRECTOR TARIFF BRANCH
Issued by: Mark A. Bailey, President and C		
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Specifications For The Resale, Reassignment Or Transfer of Long-Term Firm Point-To-Point Transmission Service

1.0	Term of Transaction:
	Start Date:
	Termination Date:
2.0	Description of capacity and energy to be transmitted by Big Rivers including the electric Control Area in which the transaction originates.
3.0	Point(s) of Receipt:
	Delivering Party:
4.0	Point(s) of Delivery:
	Receiving Party:
5.0	Maximum amount of reassigned capacity:
6.0	Designation of party(ies) subject to reciprocal service obligation:
7.0	Name(s) of any Intervening Systems providing transmission service: KENTUCKY
	PUBLIC SERVICE COMMISSION JEFF R. DEROUEN EXECUTIVE DIRECTOR
Issued	by: Mark A. Bailey, President and CEO, 201 Third Street, Henderson, KY 42420 on: February 4, 2011 we Date: March 7, 2011 EFFECTIVE 3/7/2011 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

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8.1	Transmission Charge:	
8.2	System Impact and/or Facilities Study Charge(s):	
8.3	Direct Assignment Facilities Charge:	
8.4	Ancillary Services Charges:	

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Issued on: February 4, 2011
Effective Date: March 7, 2011

March 7, 2011

March 7, 2011

ATTACHMENT B

Form Of Service Agreement For Non-Firm Point-To-Point Transmission Service

1.0	This Service Agreement, dated as of	_, is entered into, by and between
	Big Rivers Electric Corporation ("Big Rivers"), and	(Transmission
	Customer).	

- 2.0 The Transmission Customer has been determined by Big Rivers to be a Transmission Customer under Part II of the Tariff and has filed a Completed Application for Non-Firm Point-To-Point Transmission Service in accordance with Section 18.2 of the Tariff.
- 3.0 Service under this Agreement shall be provided by Big Rivers upon request by an authorized representative of the Transmission Customer.
- 4.0 The Transmission Customer agrees to supply information Big Rivers deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.
- 5.0 Big Rivers agrees to provide and the Transmission Customer agrees to take and pay for Non-Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.
- Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

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Issued on: February 4, 2011 Effective Date: March 7, 2011 Marka T Feley

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Big Rivers Electric Corporation First Revised and Restated Open Access Transmission Tariff

201 T	hird Street, P.O. Box 24		
Telep	erson, Kentucky 42420 hone No. (270) 827-2561		
Vice 1	President System Operations		
Trans	mission Customer:		
		-	
7.0	The Tariff is incorporated herein	and made a part hereof.	
	TTNESS WHEREOF, the Parties respective authorized officials.	have caused this Service A	Agreement to be executed by
Trans	smission Provider:		
By:			
-	Name	Title	Date
Trans	smission Customer:		
By:			
	Name	Title	Date
		Γ	KENTUCKY PUBLIC SERVICE COMMISSION
			JEFF R. DEROUEN EXECUTIVE DIRECTOR
Teened	l by: Mark A. Bailey, President and CEO, 2	— 01 Third Street, Henderson, KY 4	TARIFE BRANCH
Issued	Hon: February 4, 2011 wark	Ea. Traley	Bunt Kirtley
	•		3/7/2011
			PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

ATTACHMENT C

Methodology To Assess Available Transfer Capability

Big Rivers will assess the capability of the Transmission System to provide the service requested using the criteria and process for this assessment as detailed in the document titled AFC/ATC Calculation Procedures. The document is available on the Big Rivers OASIS. In determining the level of capacity available for new Transmission Service requests, Big Rivers may exclude, from capacity to be made available for new Transmission Service requests, that capacity needed to meet current and reasonably forecasted load of Native Load Customers and Network Customers, existing firm Point-to-Point Transmission Service customers, previously received pending Applications for firm Point-to-Point Transmission Service and to meet existing contractual obligations under other tariffs and rate schedules.

In subsequent updates, Big Rivers will compute the transmission transfer capability available from the Delivering Party to the Receiving Party using Good Utility Practice and the engineering and operating principles, standards, guidelines and criteria of Big Rivers, SERC, and any entity of which Big Rivers is a member and which has been approved by the Federal Energy Regulatory Commission to promulgate or apply regional or national reliability planning standards (such as an RTO), or any similar organization that may exist in the future of which Big Rivers is then a member. Principal items used to determine maximum transmission transfer capability available include reliability, transmission element loading, system contingency performance, voltage levels, and stability, and other criteria specified in the Big Rivers OASIS posting.

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ATTACHMENT D

Methodology for Completing a System Impact Study

Big Rivers will assess the capability of the Transmission System to provide service requested pursuant to this Agreement. Big Rivers will determine whether a proposed use of the Transmission System results in transmission interface loading such that First Contingency Total Transfer Capability (FCTTC) is not exceeded. The FCTTC shall be as defined by NERC.

"Acceptable" and "unacceptable" steady-state voltages and facility loadings are defined by criteria established by Big Rivers and other utility systems with which Big Rivers is interconnected according to all applicable NERC and SERC standards.

In addition to the steady-state performance criteria described above, Big Rivers' Transmission System is also designed taking into account dynamic stability performance to ensure any credible disturbance (short circuit or equipment disconnection) does not result in cascading tripping of transmission facilities. The criteria applied are those established by Big Rivers according to all applicable NERC and SERC standards.

Transmission System performance for the requested service shall include a consideration of (i) the load and projected loads of Big Rivers' native load customers, (ii) the loads of firm Point-to-Point Transmission Customers under this Tariff and pursuant to other agreements, rate schedules, and contracts; (iii) transmission service to be provided in response to previously pending Valid Requests for transmission service under this Tariff and other contracts. Transmission Service to native load customers involves consideration of local transmission facility performance, in addition to consideration of any transmission interface transfer capability. This planning is performed the same as transmission planning for Big Rivers' native load. The primary design criterion for the Transmission System is that failure of any one circuit or piece of equipment should not cause a sustained outage or unacceptably high or low voltage to customer load, nor should it cause excessive loading on Transmission System equipment. This must be satisfied at any load level, during peak load periods as well as off-peak periods.

The exceptions to this "single contingency" criterion are (i) small distribution substations which may be supplied by a single transmission line, and (ii) large groupings of substations for which double contingency system design may be employed.

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ATTACHMENT E

Index Of Point-To-Point Transmission Service Customers

Customer	Date of Service Agreement
AEP Service Corp.	3/27/2002
Allegheny Energy Supply	9/11/2000
Big Rivers Power Supply	10/1/1998
Cargill-Alliant LLC	2/12/2002
Cash Creek Generation, LLC	7/16/2007
Cinergy Power Mkt. & Trading	10/31/2005
Cobb Electric Membership Corp.	6/9/2003
Conectiv Energy Supply	10/21/1999
Constellation Energy Commodities Group	10/13/1998
Coral Power L.L.C.	5/25/1999
DTE Energy Trading	7/24/2000
Duke Energy Indiana	10/31/2005
Duke Energy Kentucky, Inc.	10/31/2005
Duke Energy Trading and Marketing	KENTUCKY 8/13/19998C SERVICE COMMISSION JEFF R. DEROUEN
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E.ON U.S. Services, Inc.	6/1/2000
Exelon Generation, LLC	5/14/2001
Hoosier Energy Power Marketing	10/8/1998
Lehman Bothers Commodity Services Inc.	1/16/2006
LG&E Energy Marketing Inc.	9/15/1998
NRG Power Marketing	1/15/2002
Peabody Energy	7/11/2002
PG&E Energy Trading Power, L.P.	12/15/1998
Powerex Corp.	1/24/2000
PPM Energy, Inc.	7/20/1998
Rainbow Energy Marketing Corp.	7/15/1998
Sempra Energy Trading Corp.	5/11/2000
Southern Illinois Power Coop. Marketing	8/3/1998
Southern Indiana Gas & Electric	7/15/1998
The Cincinnati Gas & Electric Company	10/31/2005
The Energy Authority	7/20/2000
The Legacy Energy Group	6/12/2000 KENTUCKY 6/12/2000 SERVICE COMMISSION
	JEFF R. DEROUEN EXECUTIVE DIRECTOR TARIFF BRANCH
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Big Rivers Electric Corporation First Revised and Restated Open Access Transmission Tariff Original Sheet No. 163

Tennessee Valley Authority

12/9/2000

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Issued by: Mark A. Bailey, President and CEO, 201 Third Street, Henderson, KY 42420 Mark a. T Solay

Issued on: February 4, 2011

Effective Date: March 7, 2011

ATTACHMENT F

Service Agreement For Network Integration Transmission Service

I.	GENERAL TERMS AND CONDITIONS
1.0	This Service Agreement, dated as of, is entered into, by and between
Big R	ivers Electric Corporation (hereinafter Big Rivers), and (hereinafter
Trans	mission Customer).
2.0	This Transmission Customer has been determined by Big Rivers to have completed
satisfa	actorily an Application for Network Integration Transmission Service;
3.0	Service under this Agreement shall commence on the later of: (1), or (2) the
date o	on which construction of any Direct Assignment Facilities and/or Network Upgrades are
comp	leted, or (3) such other date as agreed by the parties hereto. Service under this Agreement
shall t	terminate on;
4.0	Big Rivers agrees to provide and the Transmission Customer agrees to take and pay for
Netwo	ork Integration Service in accordance with the provisions of the Tariff and this Service
Agree	ement.
5.0	Any notice of request made to or by either party to this Agreement regarding this Service
Agree	ement shall be made to the representative of the other party as indicated below.
	KENTUCKY PUBLIC SERVICE COMMISSION
	JEFF R. DEROUEN EXECUTIVE DIRECTOR
	TARIFF BRANCH
	by: Mark A. Bailey, President and CEO, 201 Third Street, Henderson, KY 42420 on: February 4, 2011
	on: February 4, 2011 Wash le Topula EFFECTIVE EFFECTIVE
	3/7/2011 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Big Rivers Electric Corporation 201 Third Street, P.O. Box 24 Henderson, Kentucky 42420 Vice President System Operations

Transmission Cust	tomer
6.0 The Big Rivers Open Access Tra	ansmission Tariff, the attached Specifications for Network
Integration Transmission Service, and I	Network Operating Agreement are incorporated herein and
made a part hereof.	
IN WITNESS WHEREOF, the parties	to this Agreement have caused this Service Agreement to
be executed by their respective authoriz	zed officials.
Big Rivers Electric Corporation	
By:	Date:
Title:	_
Transmission Customer	
By:	Date:
Title:	_

Issued by: Mark A. Bailey, President and CEO, 201 Third Street, Henderson, KY 42420

Issued on: February 4, 2011 Effective Date: March 7, 2011 Mark Ce. T Zarley

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SPECIFICATIONS FOR NETWORK INTEGRATION TRANSMISSION SERVICE

0.1	Term of Netv	vork Service:	NAC A STATE OF THE			
	Start Date: _			PAROMONIO DE LO SANCIO PLANT	- 1 - 100 -	_
	Termination 1	Date:				_
2.0	Description o	of capacity and	d/or energy to be to	ransmitted	by Big Rivers ac	cross Big Rivers'
			electric control are			originates).
						_
3.0	Network Res					
(1)	Transmission	ո Customer Ge	eneration Owned:			
Resou	<u>urce</u>		Capacity Designa			
(2)	Transmission		eneration Purchase			
Sourc	<u>ce</u>	Contract Des	cription	ı	Capacity	
Issued	by: Mark A. Baile on: February 4, 20 ive Date: March 7,	ey, President and C	CEO, 201 Third Street, 1	Henderson, K	PUBLIC SERY JEFF F EXECUT TARI Y 42420 EF 3/	R. DEROUEN IVE DIRECTOR IFF BRANCH FFECTIVE 7/2011
				O	PURSUANT TO 80	7 KAR 5:011 SECTION 9 (1)

Total	Network Resources Capacity: (1	1) + (2) =	-
4.0	Network Load		
(1)	Transmission Customer Networ	rk Load:	
Netw	vork Load	Transmission Voltage Level	
(2)	Member Systems Load Designa	ated as Network Load:	
Netw	ork Load	Transmission Voltage Level	
			-)
5.0	Designation of party subject to	reciprocity service obligation:	
6.0	Service under this Agreement n	nay be subject to some combinat	
(The	appropriate charges for individua	al transactions will be determine	DEIC SERVICE COMMISSION
			JEFF R. DEROUEN EXECUTIVE DIRECTOR
Issued	I by: Mark A. Bailey, President and CEO, 2 I on: February 4, 2011		Bunt Kirtley
Effect	I on: February 4, 2011 Live Date: March 7, 2011 Mark		EFFECTIVE 3/7/2011 SUANT TO 807 KAR 5:011 SECTION 9 (1)

Terms and Conditions of the Open Access Transmission Tariff).

6.1	Load Ratio Share of Annual Transmission Revenue Requirement:
6.2	Gross Up in Load Ratio Share for Average System Transmission Losses:
6.3	Facilities Study Charge:
6.4	Direct Assignment Facilities Charge:
6.5	Ancillary Services Charges:
6.6	Redispatch Charges:

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ATTACHMENT G

Network Operating Agreement

To be developed between Big Rivers and future network customers.

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ATTACHMENT H

Annual Transmission Revenue Requirement For Network Integration Transmission Service

- 1. The Annual Transmission Revenue Requirement for purposes of the Network Integration Transmission Service shall be \$19,961,900.
- 2. The amount in (1) shall be effective until amended by Big Rivers or modified by the Kentucky Public Service Commission.

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ATTACHMENT I

Index Of Network Integration Transmission Service Customers

		Date of
***************************************	Customer	Service Agreement
None		

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ATTACHMENT J

Procedures for Addressing Parallel Flows

The Joint Reliability Coordination Agreement ("JRCA") entered into by the Midwest ISO, PJM Interconnection LLP, and the Tennessee Valley Authority ("TVA") provides for cooperation in the management and operation of the electric transmission grid over a large portion of the eastern United States. As a utility within the TVA Reliability Coordinator footprint, Big Rivers is party to this agreement. The JRCA provides for the sharing of critical information, comprehensive reliability management, and congestion relief. The improved coordination provided by the JRCA allows each grid operator to recognize and manage the effects of parallel flows and preemptively address concerns.

The Big Rivers AFC/ATC calculation process takes advantage of the coordination provided by the JRCA. The impact of both internal and external transfers is considered with limits on both internal and coordinated external flowgates observed. The Big Rivers document titled *AFC/ATC Calculation Procedures* describes the coordinated AFC and ATC calculation procedures in detail. This document is available on the Big Rivers OASIS.

Real-time pre and post contingency congestion resulting from parallel flows is addressed through the TLR procedures described for the Eastern Interconnection in NERC Standard IRO-006-3 as implemented according to the JRCA.

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ATTACHMENT K

Transmission Planning Process

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ATTACHMENT K

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Introduction

Order 890 requires that Transmission Providers submit a proposal for a regional planning process that complies with the nine planning principles (described in detail below) and other requirements of the Final Rule. In the alternative, a Transmission Provider may make a compliance filing describing its existing coordinated and regional planning process, including the appropriate language in its tariff, and show that this existing process is consistent with or superior to the requirements in the Final Rule.

This document describes the nine planning principles and how Big Rivers Electric Corporation's (Big Rivers') existing planning process complies with the principles.

Central Public Power Participants:

Big Rivers and its neighboring public power companies AECI, EKPC, and TVA, have formed the Central Public Power Participants group (CPPP) for the purposes of coordinating planning within the region. The CPPP also provides the framework for stakeholder participation.

Inter-regional Participation:

Big Rivers participates in interregional planning through four relationships: as a member of the SERC Reliability Corporation; through participation in activities of the Eastern Interconnection Reliability Assessment Group (ERAG) as a SERC member; as a member of the Southeastern Interregional Planning Group (via CPPP), and through a Joint Reliability Coordination Agreement (TVA, PJM and MISO).

Commitment to the Nine Planning Principles of Rule 890

Principle 1 - Coordination:

- The transmission provider must meet with all of its transmission customers and interconnected neighbors to develop a transmission plan on a nondiscriminatory basis
- The transmission provider must provide early and meaningful interaction opportunities for customers and other stakeholders to provide input regarding the transmission planning process and transmission expansion plans. The transmission provider must consider these inputs in its planning process.
- The FERC does not prescribe specific requirements for coordination, such as number of meetings, the scope of the meetings, the notice requirements, the format, etc.

Coordination with retail customers is achieved through periodic meetings with each distribution cooperative and the involvement of each cooperative in the expansion planning process.

As an expansion of this effort, Big Rivers together with its CPPP partners sponsored the formation of the CPPP regional stakeholder group which is open to all transmission customers including the formation of the CPPP regional stakeholder group which is open to all transmission customers including the formation of the CPPP regional stakeholder group which is open to all transmission customers including the formation of the CPPP partners sponsored the formation of the CPPP regional stakeholder group which is open to all transmission customers including the formation of the CPPP regional stakeholder group which is open to all transmission customers including the formation of the CPPP regional stakeholder group which is open to all transmission customers in the formation of the CPPP regional stakeholder group which is open to all transmission customers, including the formation of the CPPP regional stakeholder group which is open to all transmission customers, regulatory agencies, and generation owner/development companies. The stakeholder group held its first meeting on the customers of the customers are considered in the customers.

The stakeholder group is administered by the CPPP partners. An annual cycle of stakeholder wheetings is scheduled to provide stakeholders with opportunities for participation and contril ternative

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solutions.

As illustrated in Figure 1, the first meeting in the annual cycle is used to provide base data cases and review criteria and assumptions. At the second meeting assessments of potential reliability problems and preliminary solutions will be presented. At the third meeting, advanced solutions including stakeholder suggestions are reviewed. Opportunities for stakeholder input are open up to the point of final project selection.

Access to data, assumptions, notifications and proposals regarding studies, meeting and study schedules, study results, stakeholder group processes, and minutes and similar records is provided through OASIS. Other web-based locations will be established as required. Access to some information requires execution of a mutually acceptable confidentiality agreement.

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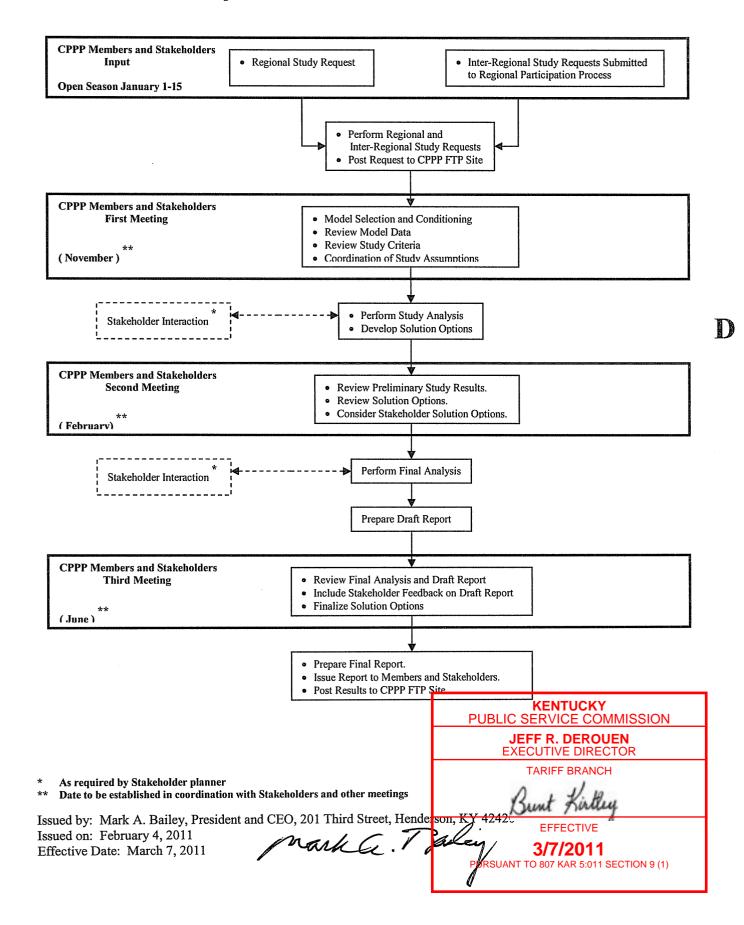


Figure 1: CPPP Regional Transmission Development Plan Participation Process Diagram

Principle 2 - Openness:

- The transmission provider's planning process must be open to all affected parties, including but not limited to transmission customers, interconnection customers, state commissions, and other stakeholders.
- The transmission provider must develop mechanisms such as confidentiality agreements and password-protected access to information to manage the release of Critical Energy Infrastructure Information (CEI) into the public domain.

All members of the CPPP stakeholder group described above have the opportunity to access the Big Rivers transmission planning process through posted documents and stakeholder meetings.

As noted under Principle 1, information is shared through easily accessible systems subject to standard security and confidentiality measures.

Some business-related information may be considered confidential and will not be shared.

Similarly, critical infrastructure or CEI information that

- 1. Relates to the production, generation, transmission, or distribution of energy;
- 2. Could be useful to a person planning an attack on critical infrastructure;
- 3. Is exempt from mandatory disclosure under the Freedom of Information Act; and
- 4. Gives strategic information beyond the location of the critical infrastructure

Examples of CEI are details of critical contingencies and limiting facilities that would jeopardize the integrity of the bulk transmission system, specific information on protective relaying schemes, and breaker data.

It is noted that CEI data filed with the FERC as Form No. 715 can be obtained by filing a CEI request using the Commission's established procedures. For other CEI information or other commercially-sensitive information requests, Big Rivers will consider provision under a nondisclosure agreement where there is legitimate need.

Confidentiality provisions will be periodically reviewed to ensure that started the started to ensure that started to ensure the started to ensure that started to ensure that started to ensure the started to ensure the started to ensure the started to ensure that started to ensure the started to ensure the started to ensure that started to ensure the started sufficient data to enable them to perform their own reliability and economic planning studies on replicate existing studies.

Principle 3 - Transparency:

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- The transmission provider is required to disclose data, study methodology, basic criteria, and assumptions that underlie its transmission system plans in written form.
- The transmission provider must make simultaneous disclosures regarding the status of transmission projects to all parties of concern.

Data, study methodology, basic criteria, assumptions that underlie transmission system plans, and study reports will be made available each year to stakeholders through postings supported by discussions and presentations at scheduled stakeholder meetings.

The base data cases will be those used by CPPP members for their reliability studies. Data cases are developed for the Siemens PTI Power System Simulator for Engineering (PSS/E). Conversion of data for use in other programs is the responsibility of the user.

The study methodology, basic criteria, and assumptions that underlie transmission system plans are those used by Big Rivers to ensure compliance with NERC Standards.

Principle 4 - Information Exchange:

- Network transmission customers must submit projected load and resource information on a comparable basis as that used by transmission providers in planning for native load.
- Point-to-point customers are required to submit projected need for transmission service over the planning horizon
- The transmission provider, in consultation with customers and other stakeholders, must develop information exchange guidelines and schedules for the submittal of transmission planning information.
- Information must be made available at regular intervals and be identified in advance.

Big Rivers requires network customers to provide information regarding projected loads and resources on a comparable basis to that provided on behalf of native load customers for planning purposes.

A point-to-point customer must provide information about its utilization of the transmission system including transmission capacity, duration, and receipt and delivery points. These requirements are specified in Big Rivers Open Access Transmission Tariff. Information regarding planned generator additions or upgrades including status and expected in-service date, planned retirements, and environmental restrictions are also required in accordance with generator interconnection procedures.

This information is included in Big Rivers base case models so the needs of transmission customers are addressed in the transmission expansion plan. Additional information or changes to previously submitted information can be submitted throughout the planning process and will be into the PUBLIC SERVICE COMMISSION planning process wherever possible.

Principle 5 - Comparability:

TARIFF BRANCH The transmission provider must develop a transmission plan that (1) I service requirements of transmission customers and (2) treats similarly situated ork and

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retail/wholesale native load) comparably in the transmission planning process.

 Customer demand resources should be considered on a comparable basis to the service provided by comparable generation resources.

Big Rivers develops transmission plans that meet the specific service requests of its transmission customers and otherwise treats similarly-situated customers comparably in transmission system planning.

Customer demand resources are considered on a comparable basis with generation resources.

Principle 6 - Dispute Resolution:

- Transmission providers must propose a dispute resolution process. An existing dispute resolution process may be used, but the transmission provider must address how it would work in the transmission planning process.
- The timing of the dispute resolution process should be consistent with the transmission planning process

For disputes arising under Attachment K the parties will attempt to settle the dispute through informal negotiation. The dispute resolution process will progress to discussions and meeting with Big Rivers senior management.

Principle 7 - Regional Participation:

- The transmission provider must coordinate with interconnected systems to (1) share system plans to ensure simultaneous feasibility, (2) maximize use of consistent assumptions and data, and (3) identify system enhancements that relieve congestion or integrate new resources.
- The Transmission Planning proposal must specify the broader region in which it proposes to conduct integrated and coordinated regional planning.
- The transmission provider should consider and accommodate existing institutions, physical characteristics, and historical practices in their planning process.

Big Rivers participates in regional and interregional planning through the CPPP group as described under Principles 1 and 8.

Participation in planning between regions is achieved through four relationships: the Southeastern Interregional Planning Group (via the CPPP), a joint TVA, PJM, and MISO planning agreement, membership in SERC Reliability Corporation, and participation in the Eastern Interconnection Reliability Assessment Group (ERAG). These relationships and joint studies ensure that Big Rivers coordinates with interconnected systems.

Southeastern Interregional Planning Group:

The Southeastern Interregional Planning Group plan defines an interregional Process among transmission owners Alabama Electric Cooperative, Dalton Utilities, Duke Energy Coperating Companies, Georgia Transmission Corporation, Municipal Electric Seorgia,

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Progress Energy Carolinas, Santee Cooper, South Carolina Electric and Gas, South Mississippi Electric Power Association, Southern Company, and Tennessee Valley Authority.

The process will be used to collect data, coordinate planning assumptions and address stakeholder study requests. Data and assumptions developed at the regional level will be consolidated and used in the development of models for use in the process. In addition to performing stakeholder requested studies, the interregional planning process provides a means for the participating transmission providers and stakeholders to review the data, assumptions, and assessments being performed on an interregional basis.

Joint Planning Agreements (JRCA) with TVA PJM and MISO:

A TVA, PJM, and MISO agreement exists for the exchange of information (including Big Rivers data) and the implementation of reliability and efficiency protocols. These agreements address the equitable and economical management of congestion on flowgates affected by flows of Big Rivers as well as TVA, PJM, and the Midwest ISO and use of the congestion management procedures by third parties on flowgates affected by the flows of any party that binds itself to the congestion management procedures of the agreements. The agreements also address arrangements for coordination of the parties systems.

The joint planning activities between TVA, PJM, and MISO are used as a basis for studies with SPP. These expanded activities are not yet fully covered by formal agreements. Initial studies include development of long term plans for the combined area for years 2018 and 2024.

Each of the entities has its own stakeholder group. The joint planning activities are being used as the basis for development of combined stakeholder participation, and for coordination of responses to stakeholder interregional study requests.

SERC Reliability Corporation:

SERC Reliability Corporation is a member of NERC and is responsibility for reliability in the southeast. Big Rivers is a member of SERC and is included in the Central Subregion of SERC. Big Rivers planning personnel participate in a number of committees, groups and task forces within SERC to ensure regional coordination in transmission planning.

The SERC planning processes and their relationship to the local planning processes of the SERC member systems are described in the SERC Reference Document "Regional Transmission Assessment Study Processes Within SERC." In general, all members including Big Rivers conduct regional reliability studies within the SERC framework of intra-regional near-term & long-term studies. Member system models are combined into a SERC reliability study model annually. SERC members couple local transmission assessment activities with regional coordinated transmission study processes. Joint study efforts involving two or more parties are used to maintain coordination among systems and along system interfaces. The processes may also involve Regional Transmission Organizations (RTOs)

Eastern Interconnection Reliability Assessment Group (ERAG).

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ERAG comprises the six NERC regions composing the eastern interconnection of the bulk power system in the joint areas. ERAG has responsibility for the Multiregional Modeling Working Group (MMWG). A single master study base case covering the entire eastern interconnection is developed each season. Big Rivers participates in Ef

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SERC membership.

ERAG study work is shared between regions under a number of study forums. SERC assigns members to conduct inter-regional studies with other RROs through the ERAG agreement. Also, SERC's designated liaison to the ERAG Multiregional Modeling Working Group (MMWG) updates the Eastern Interconnection study model.

Principle 8 - Economic Planning Studies:

- The Transmission Provider must prepare studies identifying "significant and recurring" congestion and post such studies on their OASIS.
- Studies should analyze and report on (1) location and magnitude of congestion, (2) possible remedies for the elimination of congestion, (3) associated costs of congestion, (4) costs associated with relieving congestion.
- Such studies must include the integration of new generation resources or loads on a n aggregated or regional basis.
- The planning process must consider both reliability and economic considerations (e.g. whether transmission upgrades or other investments can reduce the overall costs).
- Transmission providers should develop a means to allow the Transmission Provider and stakeholders to cluster requests for economic planning studies so that such studies can be performed in an efficient manner.
- Requests for economic planning studies, and responses to those requests, must be posted on OASIS. The transmission provider must coordinate with interconnected systems to (1) share system plans to ensure simultaneous feasibility, (2) maximize use of consistent assumptions and data, and (3) identify system enhancements that relieve congestion or integrate new resources.

Big Rivers will continue to perform planning studies to identify transmission congestion within Big Rivers and between Big Rivers and other balancing areas, with integration of new resources including options suggested by stakeholders or loads on an aggregated basis. Big Rivers will use reliability and economic studies whenever feasible to improve efficiency and lower costs. Economic benefits such as those related to transmission congestion and integration of new transmission users will be considered when addressing reliability issues.

Study reports will identify congestion in its transmission system. These study reports will be posted on OASIS.

Big Rivers presently does not use LMP as the basis for its economic analysis of congestion. Reliability studies are directed towards elimination of congestion to allow optimal economic dispatch.

Stakeholder Requested Studies.

PUBLIC SERVICE COMMISSION Through the CPPP planning process, a reasonable number of economic studies will be completed. All

stakeholder requests will be posted on OASIS. All economic project requests will be considered as alternatives for reliability problem solutions.

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Requests for economic studies must be supported by provision of the necessary Issued by: Mark A. Bailey, President and CEO, 201 Third Street, Henderson, KY 42420

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models and transaction patterns. Depending on confidentiality considerations, use of more generic industry data may be deemed acceptable.

Big Rivers' participation in the CPPP stakeholder process does not substitute for the official interconnection and transmission service request processes. The official interconnection process must be used for any requests to interconnect to the Big Rivers transmission system.

Principle 9 - Cost Allocation:

- For projects that do not fit under the cost allocation structure in the existing pro forma OATT, such as regional projects involving several transmission owners or economic projects, transmission providers are required to address the allocation of costs for new facilities in its planning process.
- The proposal should identify the types of new projects not covered under existing cost allocation rules.
- FERC is not prescribing specific cost allocation methods, but will consider (1) whether a cost allocation proposal fairly allocates costs among participants, (2) whether the cost allocation proposal provides incentives to construct new transmission, and (3) whether the proposal is supported by state authorities and participants across the region.

Costs of transmission system upgrades are recovered through Big Rivers' rates for transmission service.

Where existing rate structures do not apply, such as to regional projects involving several transmission owners or projects identified through economic planning studies, costs will be allocated to the customers requesting the project. Where a project crosses regional boundaries, each regional transmission owner will be responsible for allocating its share of the cost.

When a project is requested that is an acceleration or modification of a project already planned for implementation, the requesting party will pay the incremental costs.

If Big Rivers elects to enhance a stakeholder requested project, the requesting party will be responsible only for the costs of the project at the level requested for that party's needs.

In applying these cost allocation principles, Big Rivers will identify benefits that a requested project may provide to Big Rivers such as deferral of other transmission projects or a reduction in energy losses. The costs assigned to the requesting party will be a net value, recognizing the value of any such benefits.

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ATTACHMENT L

Creditworthiness Procedures

- 1. Purpose For the purpose of determining the ability of a Transmission Customer ("Customer") to meet its financial obligations related to service under Big Rivers Electric Corporation's ("BREC") Open Access Transmission Tariff, BREC will use the following credit review procedures.
- 2. Credit Review BREC will perform a credit review of each Customer. BREC's CFO shall continuously assess each Transmission Customer's credit risk and determine their credit limit, based upon both qualitative and quantitative factors. Among other things, such factors may include the Customer's competitive position, capital structure, liquidity, financial strength, profitability and credit ratings. A credit file will be maintained for each Customer in support of such credit limit determination. BREC will treat Customer credit information confidential. The Customer shall provide the following minimum information:
 - a. The most recent two fiscal years audited financial statements (including the footnotes).
 - b. The most recent unaudited fiscal year, if any, and year-to-date financial statements.
 - c. DUNS number.
 - d. Moody's and/or S&P's long term senior unsecured debt ratings.
 - e. Primary credit officer contact information, including name, title, mailing address, telephone number and facsimile number.

Other commercially reasonable information may be requested by BREC during the credit review process. In determining credit level and collateral requirements, BREC may also use any third-party information it finds available and appropriate.

3. Credit Exposure – BREC's CFO will monitor BREC's credit exposure to each Customer. BREC will review the Customer's payment history and ensure that no payment due it is in arrears. Overdue payments will include interest at the ARTUCKY appropriate rate.

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4. Security – In the event a Customer does not meet BREC's creatworthmess TOR standard, the Customer may substitute one or more of the following: BRANCH

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- a. An unconditional and irrevocable letter of credit from an institution acceptable to BREC in an amount and term sufficient to support Customer's responsibilities and obligations under the Tariff.
- b. A corporate guarantee acceptable to BREC.
- c. Prepayment of the charge for service on terms acceptable to BREC.

Any alternative form of security proposed by the Customer and acceptable to BREC may be used.

5. Notices – BREC will notify Customer of initial credit level and collateral requirements, and any change thereto. Customer may contest any adverse credit determination by BREC by providing supporting information, and may request an explanation of BREC's credit determination. When necessary, BREC will give Customer a reasonable opportunity to post additional collateral. All communication and notices to BREC regarding the Customer's credit shall be to the following address:

Big Rivers Electric Corporation

Attention: CFO 201 Third Street Henderson, KY 42420 Phone: 270-827-2561

Facsimile: 270-827-2558

6. Waiver – No failure on the part of BREC to exercise any of its rights or remedies hereunder shall waive them, unless expressly stated by BREC in writing.

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